

# Free State Adjusted Estimates of Provincial Revenue & Expenditure 2014/2015

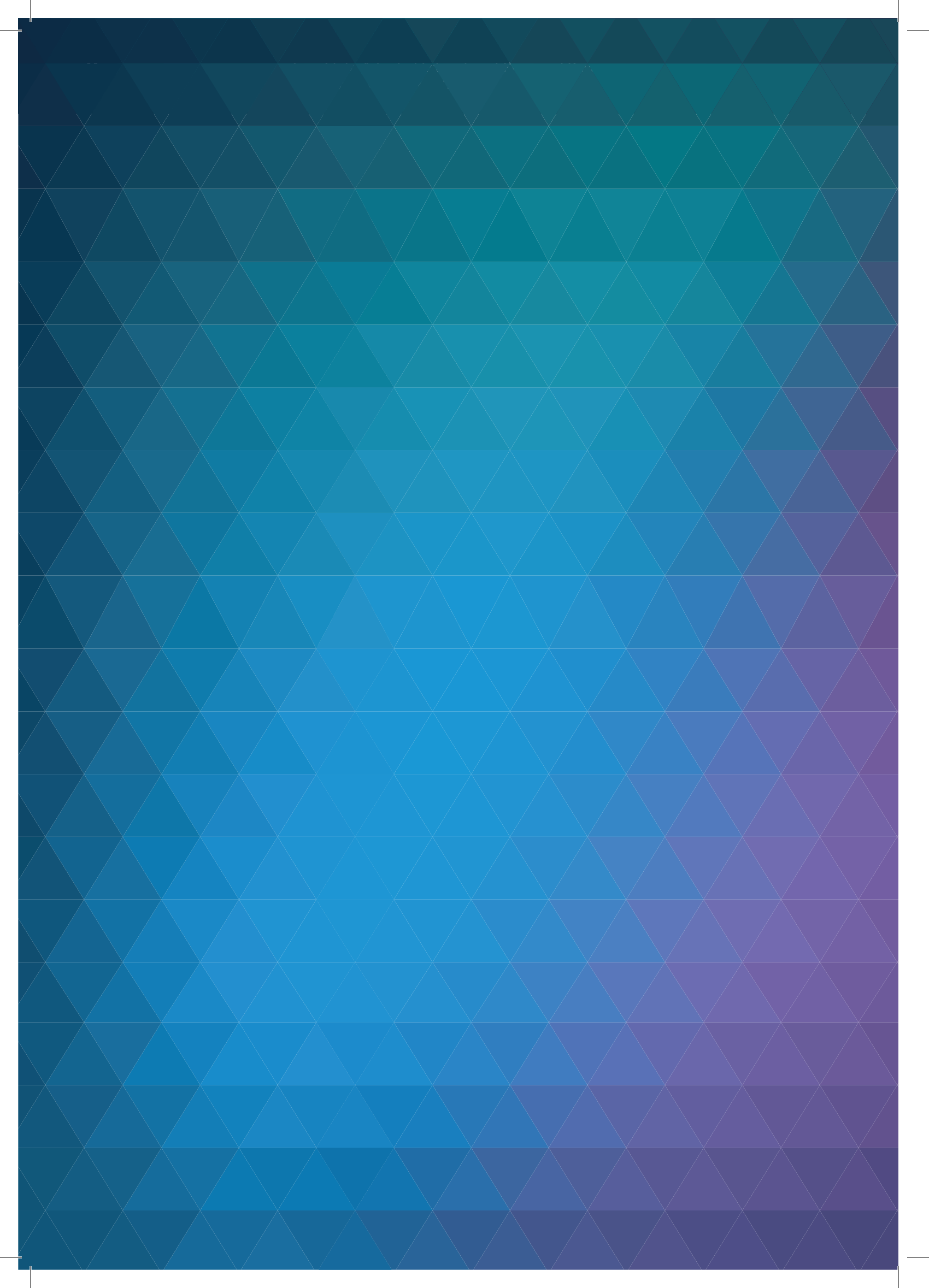
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## PROVINCIAL SUMMARY



# PROVINCIAL SUMMARY

## INTRODUCTION

The 2014/15 Adjustment Budget for the Free State Province is tabled before the Provincial Legislature in terms of section 31(2) of the Public Finance Management Act of 1999, to provide for the following:

- The rollover of unspent funds from the preceding financial year;
- The appropriation of funds that have become available to the province;
- Unforeseeable and unavoidable expenditure;
- Expenditure used in emergency situations;
- The shifting of funds between and within votes or to follow the transfer of functions;
- The utilization of savings under a main division within a vote for the defrayment of excess expenditure under another main division within the same vote; and
- Money to be appropriated for expenditure already announced by the MEC for Finance during the tabling of the annual budget.

The adjustments appropriation consists of a variety of categories:

**Roll-overs** are unspent funds from the preceding financial year that may be rolled over to complete projects started in the previous financial year. However, Treasury Regulations places restrictions on the following:

- Unspent funds for compensations of employees may not be rolled-over;
- Only a maximum of 5 percent of a department's budget for goods and services may be rolled-over;
- Unspent funds for transfers and subsidies 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 finalize projects or assets acquisitions already in progress.

### **The appropriation of funds that have become available to the province:**

During the tabling of the Adjusted Estimate of National Expenditure additional funds are allocated to provinces via the Provincial Equitable Share. Secondly, national departments may allocate additional funds to the Provinces as Conditional Grants to specifically cater for national priorities. Added to the above will be the changes in provincial own revenue for the 2014/15 financial year. All of these aspects will be reflected in the Adjusted Estimates of Provincial Revenue and Expenditure.

**Unforeseeable and unavoidable expenditure** are expenses that could not be anticipated at the time of the tabling of the main budget. Furthermore, according to Treasury Regulations the following cannot be regarded as unforeseeable and unavoidable expenditure:

- Spending that was known when finalizing the Estimates of Provincial Revenue and Expenditure, but could not be accommodated within allocations then;
- 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. An example of unforeseen and unavoidable spending is spending necessitated by adverse weather conditions.

**Virements** basically refer to defrayments of excess expenditure under another a main division (programme) utilizing savings or unspent funds from other main division (programme) within the same vote.

Funds reallocated between programmes or subprogrammes or economic classification items within the **2014/15 financial year** should be expressed as either a **virement** or a **shift**, and should be captured as such in the database. In addition to the above departments must explain why funds are not used / spent in a particular programme or subprogramme or economic classification and what these funds will be used for in the programme or subprogramme or economic classification where they are shifted to.

Departments require approval before a virement can take place from either its own Accounting Officer, the Provincial Treasury or from the Provincial Legislature. The level of approval depends on the nature of the virement. All virements that require approval from relevant Treasury include those that will:

- Increase the funds appropriated for compensation of employees;
- Increase the funds appropriated for transfers and subsidies to other institutions;
- Introduce a new transfer to other institutions;
- Result in utilising funds that were appropriated for transfers and subsidies to other institutions provided the expenditure will be utilised for the same purpose as that of the main division within the vote in which it was originally appropriated;
- Result in utilising funds that were earmarked by National Treasury in the allocation letter to an institution; and
- Result in utilising funds that were appropriated for payments for capital assets for other categories of expenditure other than for the compensation of employees.

Virements that will require approval from the Legislature include those that will:

- Result in utilising funds appropriated for items specifically and exclusively earmarked in an Appropriation Act;
- Result in utilising funds that amount to more than 8 percent of the amount appropriated for a programme (shifts between different segments within a programme do not affect the overall amount appropriated for a programme, only virements from a programme effectively reduce the programme budget);
- Result in utilising funds appropriated as transfers and subsidies that could not be approved by the Provincial Treasury; and
- Result in utilising funds appropriated for payments for capital assets for the payment of current assets that could not be approved by the Provincial Treasury.

Virement applications that require the approval of the Provincial Legislature are tabled in the Adjustments Appropriation Bill and detailed in the Adjusted Estimates of Provincial Revenue and Expenditure publication with motivations provided.

**Shifts** are utilisation of savings or under spending towards the defrayment of increased expenditure within a main division (programme) of a vote between the different segments (sub-programme and economic classification) of the main division (programme). Shifts include the reallocation of funds incorrectly allocated during the 2014/15 EPRE process.

**Declared unspent** are amounts not spent that departments explicitly indicate they will not require in the current financial year. Any imposed expenditure reductions should be included here.

**Other adjustments** include:

- **Function shifts:** When functions are shifted to another vote or institution in terms of legislation and/or following the reassignment of responsibility for the functions, the associated assets and liabilities also need to be shifted. Such shifts can also happen between main divisions (programmes) within a vote.
- **Unallocated amounts announced in the main budget:** In certain instances, an amount to be allocated for the three years of the MTEF period for a specific purpose will be announced by the MEC for Finance when the main budget is tabled, but the details of the annual allocations are decided later. This is usually when plans have not been finalized in time to decide on the specific allocations 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. Significant higher inflation than anticipated in budget projections over the MTEF period is an example of such an event.
- **Use of funds in emergency situation:** The MEC for Finance can approve the use of unappropriated funds for spending of an exceptional nature. This happens if postponing the spending to a future parliamentary appropriation (sitting) would seriously prejudice the public interest. The MEC for Finance must subsequently provide a report to Legislature/Parliament.
- **Self-financing expenditure** is spending financed from revenue derived from a vote's specific activities. The revenue is paid into the Provincial Revenue Fund. If self-financing expenditure is approved, these funds are allocated to the vote.

**Direct charges against the Provincial Revenue Fund** are amounts spent in terms of statutes and do not require parliamentary approval, such as expenditure on state debt costs.

**The total adjustments appropriation** is the sum of all 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.

**The adjusted appropriation** is the total funds available to departments after the adjustments have been appropriated, that is the sum of the main appropriation plus any adjustments.

## SUMMARY OF THE 2014/15 ADJUSTMENTS

The total amount of **R589.927 million** has been made available for the purposes of the 2014/15 adjustment budget. Included in the 2014/15 adjustment budget, is the upward revision of Provincial Own Revenue of **R64.979 million**, additional provincial revenue fund amounting to **R7.716 million**, donations to the total amount of **R16.651 million**, rollover of **R455.010 million**, additional amount of **R18.000 million** for Health Facility Grant (conversion of indirect grant) and retained revenue of **R27.571 million**. In addition a total amount of **R51.364 million** was

received by various departments as financial assistance from other sources. This amount (R51.364 million) does not form part of the 2014/15 Appropriation.

Summary of Adjustments for 2014/15

<b>Table 1: Available funding for the 2014/15 Adjustment Budget</b>	<b>R'000</b>
<b>Conditional grants</b>	<b>458 556</b>
Approved rollovers	440 556
Health Facility Grant - Conversion of indirect grant (additional)	18 000
<b>Equitable Share</b>	<b>7 823</b>
Improvement in conditions of services - additional allocation	
Roll overs - recommended	7 823
<b>Provincial Own Revenue</b>	<b>64 979</b>
Adjustment (in-year upward adjustment)	64 979
<b>Revenue enhancement Allocation</b>	<b>8 131</b>
Provincial Treasury (REA)	1 500
Rollovers- recommended	6 631
<b>Infrastructure Enhancement Allocation &amp; Equitable Share (reprioritization)</b>	<b>141 521</b>
Economic and Small Business Development, Environment Affairs & Tourism (IEA)	7 000
Public Works & Infrastructure (IEA)	4 000
Health (IEA)	18 514
Agriculture (IEA)	4 000
Sport (IEA)	3 000
Public Works & Infrastructure (Equitable Share)	29 800
Education - Provincial bursaries	75 207
<b>Provincial Revenue Fund</b>	<b>7 716</b>
<b>Retained Revenue</b>	<b>27 571</b>
Legislature Retained Revenue	27 571
<b>Other Revenue (Donations)</b>	<b>16 651</b>
CATHSSETHA: Sport, Arts, Culture and Recreation	333
DAC Donations: Sport, Arts, Culture and Recreation	2 500
CATHSSETHA: Economic Development	10 207
Govan Mbeki Award: Human Settlements	315
HWSETA: Health	3 296
<b>Total available funding for the 2014/15 Adjustment Budget</b>	<b>589 927</b>

The below mentioned amounts will not form part of appropriation, however details will be discussed under relevant departments.

<b>Donor funding and other donations</b>	<b>51 364</b>
Donor Funding (FICA)- Provincial Treasury	1 200
EPWP- Donation (Department of Economic and Small Business Development, Environmental Affairs and Tourism)	4 600
RTMC Donation - Roads and Transport	45 000
Flanders' International Cooperation - Education	564



## ROLL-OVERS

A total amount of **R455.010 million** has been rolled over from the previous financial year (2013/14) to the current financial year, these rollovers relate to both National Conditional Grants and Equitable Share.

The details of the approved roll-overs are presented below:

### Conditional Grants

**The approved conditional grants amount to R440.556 million for 2014/15 financial year.**

- Department of Health
  - ~ Comprehensive HIV & Aids Grant **R 5.050 million**
  - ~ Health Facility Revitalisation Grant **R136.489 million**
- Department of Education
  - ~ Education Infrastructure Grant **R 53.268 million**
  - ~ HIV/ AIDS (Life skills education) **R 1.116 million**
  - ~ National School Nutrition Programme **R 0.212 million**
  - ~ Dinaledi School Grant **R 0.497 million**
  - ~ EPWP Intergraded Grant to provinces **R 1.124 million**
- Department of Sports, Arts, Culture and Recreation
  - ~ Community Library Services Grant **R 5.708 million**
- Department of Police, Roads and Transport
  - ~ Provincial Roads Maintenance Grant **R235.656 million**
- Department of Agriculture and Rural Development
  - ~ Ilima/ Letsema Project Grant **R 1.436 million**

### Equitable Share, Revenue and Infrastructure Enhancements

The approved provincial rollovers amount to **R14.454 million**. The approved rollovers per department are as follows:

- Department of the Premier(ES) **R 4.699 million**
- Economic and Small Business Development (REA and IEA) **R 5.658 million**
- Health (REA) **R 1.000 million**
- Sport, Arts, Culture and Recreation (ES) **R 0.085 million**
- Public Works and Infrastructure (REA) **R 2.719 million**
- Agriculture and Rural Development (REA) **R 0.293 million**

## ADDITIONAL FUNDING

### Equitable Share

No additional funding received for 2014/15 Adjustment Budget.

## PROVINCIAL OWN REVENUE

### 2014/15 Provincial own revenue adjustment

The 2014/15 own revenue budget was adjusted upward by **R64.979 million** or **7.2 percent** from **R900.855 million** to **R965.834 million**. All the departments were adjusted upwards. The projected additional own revenue of R64.979 million is distributed as follows:

- R 5.000 million – Department of the Premier
- R 0.500 million – Social Development
- R15.000 million – Cooperative Governance and Traditional Affairs
- R 2.000 million – Public Works
- R 8.000 million – Police, Roads and Transport
- R31.779 million – Sport, Arts, Culture and Recreation
- R 2.700 million – Human Settlements

## REPRIORITIZATION OF THE CURRENT BUDGET

In view of the fact that the province did not have any additional funding, the province had to reprioritise current budget to unlock funds for the adjustment budget. In this instance, a total amount of **R143.021 million** was availed to fund provincial priorities and this was achieved through the following:

### Suspension of Revenue Enhancement Allocation (REA)

Amount of **R1.500 million** for uncommitted Revenue Enhancement Allocations for the Department of Provincial Treasury has been suspended.

### Suspension of Infrastructure Enhancement Allocation (IEA)

Amount of **R36.514 million** for uncommitted Infrastructure Enhancement Allocations for the following departments has been suspended:

- R 4.000 million – Agriculture and Rural Development
- R 7.000 million – Economic and Small Business Development, Environmental Affairs & Tourism
- R 4.000 million – Public Works and Infrastructure
- R18.514 million – Health; and
- R 3.000 million – Sport, Arts, Culture and Recreation

### Suspension of Equitable Share

A total amount of **R105.007 million** for uncommitted Equitable Share Allocation from the below mentioned departments has been suspended:

- R75.207 million – Education (bursaries)
- R29.800 million – Public Works and Infrastructure

### PROVINCIAL OWN FUND

A total of **R7.716 million** was availed from Provincial Revenue Fund to augment the allocation in the current financial year. The amount is allocated to the Department of Sport, Arts, Culture and Recreation.

### RETAINED REVENUE

#### Provincial Legislature

The Provincial Legislature will retain an amount of **R27.571 million** in the current financial year as part of Legislature's Retained Revenue from the 2013/14 financial year. This amount will not form part of the revenue flowing from Provincial Revenue Fund as the Legislature does not surrender unspent funds to the Provincial Revenue Fund.

### OTHER REVENUE (including Donations)

- Departments of Sport, Arts, Culture and Recreation and Economic Development, Tourism and Environmental Affairs received amount of **R0.333 million** and **R10.207 million** respectively from CATHSSETA in the current financial year.
- Departments of Sport, Arts, Culture and Recreation received an amount of **R2.500 million** for the Mine Dance festival 2014.
- Department of Economic Development, Tourism and Environmental Affairs received a donation of **R4.600 million** for EPWP from National Department of Arts and Culture.
- Department of Police, Roads and Transport received a donation of **R45.000 million** from Road Traffic Management Corporation for road safety improvement infrastructure as well as capacity building.
- Department of Provincial Treasury received a donation of **R1.200 million** from FICA for building technical and managerial capacity within the national sectorial and provincial departments.
- Department of Human Settlements received a Govan Mbeki award of **R0.315 million**.
- Department of Education received an assistance of **R0.564 million** from Flanders' International Cooperation of ECD Free State Flemish Partnership project.
- Department of Health received an amount of **R3.296 million** from HWSETA in the current financial year.

A total amount of **R10.000 million** has been reprioritized from Police, Roads and Transport to provide for the Viljoenskroon road as implemented in the Department of Cooperate Governance and Traditional affair.

The department of Economic Development, Tourism and Environmental Affairs transferred an amount of **R3.475 million** to the Department of Agriculture for the movement of staff to Fish Hatchery.

An official will be transferred from the Department of Premier to the Department of Education with the amount **R1.200 million**.

A total amount of **R9.285 million** will remain unallocated in the 2014/15 Adjustment Budget.

## Table 2: Revenue Summary

	Main Appropriation	Additional appropriation						Adjusted Appropriation
		Roll-overs	Unforeseeable/U navoidable	Virement	Declared unspent	Other adjustments	Total additional appropriation	
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>National Payments</b>								
Equitable Share	20 883 346	7 823			(141 521)	143 021	9 323	20 892 669
Conditional Grants (Specify)	6 158 010	440 556				18 000	458 556	6 616 566
<b>Agriculture: Vote 11</b>	<b>212 760</b>	<b>1 436</b>					<b>1 436</b>	<b>214 196</b>
Comprehensive Agricultural Support Programme	146 531							146 531
Land Care Programme Grant: Poverty Relief	5 427							5 427
Agricultural Disaster Management Grant								
Lilima/ Letsema Projects Grants	60 802	1 436					1 436	62 238
<b>Education: Vote 6</b>	<b>1 080 424</b>	<b>55 093</b>					<b>55 093</b>	<b>1 135 517</b>
Further Education and Training College Grant	185 111							185 111
Dinaledi School Grant	8 006	497					497	8 503
HIV/Aids (Life Skills Education) Grant	11 570	1 116					1 116	12 686
National School Nutrition Programme Grant	299 205	212					212	299 417
Techical Secondary Schools Recapitalization	22 219							22 219
Education Infrastructure Grant	554 313	53 268					53 268	607 581
<b>Health: Vote 5</b>	<b>2 343 498</b>	<b>141 539</b>				<b>18 000</b>	<b>159 539</b>	<b>2 503 037</b>
National Tertiary Services	898 091							898 091
Comprehensive HIV and Aids Grant	843 026	5 050					5 050	848 076
Health Facility Revitalization	370 674	136 489				18 000	154 489	525 163
Health Infrastructure Grant	73 293							73 293
Health Professions Training and Development	146 419							146 419
Forensic Pathology Services								
National Health Insurance Grant	7 000							7 000
Nursing College and Schools Grant	4 995							4 995
2010 World Cup Health Preparation Strategy Grant								
<b>Public Works: Vote 9</b>		<b>1 124</b>					<b>1 124</b>	<b>1 124</b>
Devolution of Property Rate Fund Grant								
EPWP Intergrated grant to provinces		1 124					1 124	1 124
Social Sector Expanded Public Works Programme Incentive Grant for Provinces								
<b>Police, Roads and Transport: Vote 10</b>	<b>1 241 582</b>	<b>235 656</b>					<b>235 656</b>	<b>1 477 238</b>
Public Transport Operator Grant	215 900							215 900
Expanded Public Works Programme Incentive Grant								
Provincial Roads Maintanance Grant	1 025 682	235 656					235 656	1 261 338
<b>Sport, Arts and Culture: Vote 12</b>	<b>159 331</b>	<b>5 708</b>					<b>5 708</b>	<b>165 039</b>
Mass Sport and Recreation Participation Programme	40 318							40 318
Community Library Services	119 013	5 708					5 708	124 721
<b>Human Settlements: Vote 13</b>	<b>1 061 756</b>							<b>1 061 756</b>
Housing Disaster Relief Grant								
Human Settlements Development Grant	1 061 756							1 061 756
<b>Social Development: Vote 7</b>	<b>2 000</b>							
Substance Abuse	2 000							
<b>Other Revenue</b>						<b>24 367</b>	<b>24 367</b>	<b>24 367</b>
<b>Provincial Sourced Revenue</b>	<b>900 855</b>	<b>6 631</b>			<b>(1 500)</b>	<b>92 550</b>	<b>97 681</b>	<b>998 536</b>
2014/15 Provincial Own Revenue	870 721					64 979	64 979	935 700
Retained Revenue (Provincial Legislature)						27 571	27 571	
Revenue Enhancement Allocation	30 134	6 631			(1 500)		5 131	35 265
<b>Total Revenue</b>	<b>27 942 211</b>	<b>455 010</b>			<b>(143 021)</b>	<b>277 938</b>	<b>589 927</b>	<b>28 532 138</b>
<b>Amount to be voted</b>								<b>589 927</b>

## 2. EXPENDITURE SUMMARY BY FUNCTION

Table 3: Expenditure summary by function

	Main Appropriation	Additional appropriation					Adjusted Appropriation
		Unforeseeable/Una Roll-overs voidable	Virement	Declared unspent	Other adjustments	Total additional appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
General Public Services	1 015 088	4 699		(2 700)	107 566	109 565	1 124 653
Public Order and Safety	25 315						25 315
Education	11 258 854	56 217		(75 207)	26 200	7 210	11 266 064
Health	8 155 342	142 539		(18 514)	49 810	173 835	8 329 177
Social Protection	973 054				500	500	973 554
Housing & Community Affairs	1 210 317				3 015	3 015	1 213 332
Recreational & Cultural Affairs	589 043	5 793		(3 000)	70 340	73 133	662 176
Environmental Protection	174 832	3 039	(27 930)	(7 000)	(3 097)	(34 988)	139 844
Other Economic Services	4 523 365	242 723	27 930	(47 800)	34 804	257 657	4 781 022
<b>Total Expenditure</b>	<b>27 925 210</b>	<b>455 010</b>		<b>(154 221)</b>	<b>289 138</b>	<b>589 927</b>	<b>28 515 137</b>
Amount to be voted							589 927

## 3. PROVINCIAL EXPENDITURE SUMMARY

Table 4: Provincial expenditure per vote

	Main Appropriation	Additional appropriation					Adjusted Appropriation
		Unforeseeable/U Roll-overs navoidable	Virement	Declared unspent	Other adjustments	Total additional appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
1. Department of the Premier	270 514	4 699		(1 200)	30 000	33 499	304 013
2. Free State Legislature <sup>1</sup>	176 209				27 571	27 571	203 780
Tourism	444 084	5 658		(7 000)	8 232	6 890	450 974
4. Free State Treasury	226 740			(1 500)	19 995	18 495	245 235
5. Health	8 155 342	142 539		(18 514)	49 810	173 835	8 329 177
6. Education	11 258 854	56 217		(75 207)	26 200	7 210	11 266 064
7. Social Development	973 054				500	500	973 554
8. Co-operative Governance and Traditional Affairs	341 625				30 000	30 000	371 625
9. Public Works & Infrastructure	1 414 916	2 719		(33 800)	2 000	(29 081)	1 385 835
10. Police, Roads and Transport	2 195 242	235 656		(10 000)	8 000	233 656	2 428 898
11. Agriculture and Rural Development	669 270	1 729		(4 000)	13 475	11 204	680 474
12. Sport, Arts, Culture, and Recreation	589 043	5 793		(3 000)	70 340	73 133	662 176
13. Human Settlements	1 210 317				3 015	3 015	1 213 332
<b>Total: Provincial departments</b>	<b>27 925 210</b>	<b>455 010</b>		<b>(154 221)</b>	<b>289 138</b>	<b>589 927</b>	<b>28 515 137</b>
Amount to be voted							589 927

Note<sup>1</sup> Included in the Provincial Legislature allocation is an amount of R27.571 million relating to retained revenue. This amount will not form part of the revenue flowing from Provincial Revenue Fund as Legislature does not surrender unspent to the Provincial Revenue Fund.



## 5. PROVINCIAL OWN REVENUE

Table 5.1: Provincial own revenue per department

	Main Appropriation	Additional appropriation						Adjusted Appropriation
		Unforeseeable/Una Roll-overs	voidable	Virement	Declared savings	Other adjustments	Total additional appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
1. Department of the Premier	5 043					136	136	5 179
Affairs and Tourism	75 877					6 789	6 789	82 666
4. Provincial Treasury	32 681					9 800	9 800	42 481
5. Health	158 380					5 700	5 700	164 080
6. Education	19 302					549	549	19 851
7. Social Development	1 455					197	197	1 652
8. Co-operative Governance and Traditional Affairs	1 914							1 914
9. Public Works and Infrastructure	34 920					7 388	7 388	42 308
10. Police, Roads and Transport	557 397					24 092	24 092	581 489
11. Agriculture and Rural Development	2 478					188	188	2 666
12. Sport, Arts, Culture and Recreation	11 176					9 500	9 500	20 676
13. Human Settlements	232					640	640	872
<b>Total: Provincial departments</b>	<b>900 855</b>					<b>64 979</b>	<b>64 979</b>	<b>965 834</b>

Table 5.2: Provincial Own Revenue per economic classification

Main Appropriation	Additional appropriation						Adjusted Appropriation
	Unforeseeable/Una Roll-overs R'000	voidable R'000	Virement R'000	Declared savings R'000	Other adjustments R'000	Total additional appropriation R'000	R'000
Tax receipts	513 025				26 184	26 184	539 209
Sales of goods and services other than capital receipts	299 463				13 179	13 179	312 642
Transfers received					9 900	9 900	9 900
Fines,penalties and forfeits	13 761				775	775	14 536
Interest,dividends and rent on land	33 398				10 333	10 333	43 731
Sales of capital assets	14 956				(16)	(16)	14 940
Financial transactions in assets and liabilities	26 252				4 624	4 624	30 876
Total	900 855				64 979	64 979	965 834

**VOTE 1**

**DEPARTMENT OF THE PREMIER**



## Vote 1

## Department of the Premier

## Adjusted budget summary

2014/15				
R thousand	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>270 514</b>	<b>304 013</b>		
<b>of which:</b>				
Current payments	267 661	296 073	(1 200)	29 612
Transfers and subsidies	390	512		122
Payments for capital assets	2 463	7 428		4 965
Payments for financial assets				
<b>Revenue Fund</b>	<b>270 514</b>	<b>304 013</b>	<b>(1 200)</b>	<b>34 699</b>
<b>Executive Authority</b>	<b>Premier</b>			
<b>Accounting Officer</b>	<b>Director General : Department of the Premier</b>			
<b>Website address</b>	<b><a href="http://www.fs.gov.za">www.fs.gov.za</a></b>			

**Aim**

To enable the Premier to fulfil his constitutional obligations and other functions through the effective and efficient utilisation of resources of the Free State Provincial Government.

## Changes to programme purposes, objectives and measures

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2014

Table 1.1(a): Adjusted Estimates

Programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other Adjustments	Total adjustment appropriation
1.Administration	130 620			(10 656)		14 700	4 044
2.Institutional Development	95 698	4 699		14 156		9 600	28 455
3.Policy & Governance	44 196			(3 500)	(1 200)	5 700	1 000
<b>Total</b>	<b>270 514</b>	<b>4 699</b>			<b>(1 200)</b>	<b>30 000</b>	<b>33 499</b>

**Economic classification****Table 1.1(b): Adjusted Estimates per Economic Classification**

Programme		2014/15						
R'thousand	Main	Adjustments Appropriation					Total adjustment	Adjusted
		Roll-overs	Unforeseeable /	Virements and	Declared	Other		
<b>Economic classification</b>								
<b>Current payments</b>	267 661	4 699		(5 087)	(1 200)	30 000	28 412	296 073
Compensation of employees	206 264			(30 000)	(1 200)	30 000	(1 200)	205 064
Goods and Services	61 397	4 699		24 913			29 612	91 009
Interest and rent on land								
<b>Transfers and subsidies to;</b>	390			122			122	512
Provinces and municipalities								
Departmental agencies and account				11			11	11
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	390			111			111	501
<b>Payments for capital assets</b>	2 463			4 965			4 965	7 428
Buildings and other fixed structures								
Machinery and equipment	1 643			5 785			5 785	7 428
Cultivated assets								
Software and other intangible assets	820			(820)			(820)	
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>270 514</b>	<b>4 699</b>			<b>(1 200)</b>	<b>30 000</b>	<b>33 499</b>	<b>304 013</b>

## Programme 1: Administration

Table 1.1.1: Adjusted Estimates

Subprogramme		2014/15				
R'thousand	Main appropriation	Adjustments Appropriation				
		Roll-overs	Unforeseeable / unavoidable	Virements and Declared unspent shifts	Other adjustments	Total adjustment appropriation
1.Premier Support	21 067			267		267
2.Executive Council Support	3 262			3	500	503
3.Director General	85 720			(12 879)	13 200	321
4.Financial Management	20 571			1 953	1 000	2 953
<b>Total</b>	<b>130 620</b>			<b>(10 656)</b>	<b>14 700</b>	<b>4 044</b>
<b>Economic classification</b>						
<b>Current payments</b>	<b>130 487</b>			<b>(11 033)</b>	<b>14 700</b>	<b>3 667</b>
Compensation of employees	117 498			(16 400)	14 700	(1 700)
Goods and Services	12 989			5 367		5 367
Interest and rent on land						
<b>Transfers and subsidies to;</b>	<b>25</b>			<b>47</b>		<b>47</b>
Provinces and municipalities						
Departmental agencies and account				11		11
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households	25			36		36
<b>Payments for capital assets</b>	<b>108</b>			<b>330</b>		<b>330</b>
Buildings and other fixed structures						
Machinery and equipment	108			330		330
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
<b>Payments for financial assets</b>						
<b>Total</b>	<b>130 620</b>			<b>(10 656)</b>	<b>14 700</b>	<b>4 044</b>

**Programme 2. Institutional Development**

Table 1.1.2: Adjusted Estimates

Subprogramme	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Other adjustments unspent	Total adjustment appropriation	
R'thousand							
1. Strategic Human Resources	29 823			(5 625)	5 300	(325)	29 498
2. Information Communication Technology	27 136	4 699		(11 900)		(7 201)	19 935
3. Legal Services	7 253				1 400	1 400	8 653
4. Communication Services	31 486			31 681	2 900	34 581	66 067
<b>Subtotal</b>	<b>95 698</b>	<b>4 699</b>		<b>14 156</b>	<b>9 600</b>	<b>28 455</b>	<b>124 153</b>
<b>Economic classification</b>							
<b>Current payments</b>	93 513	4 699		9 431	9 600	23 730	117 243
Compensation of employees	55 358			(7 700)	9 600	1 900	57 258
Goods and Services	38 155	4 699		17 131		21 830	59 985
Interest and rent on land							
<b>Transfers and subsidies to;</b>				100		100	100
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				100		100	100
<b>Payments for capital assets</b>	2 185			4 625		4 625	6 810
Buildings and other fixed structures							
Machinery and equipment	1 365			5 445		5 445	6 810
Cultivated assets							
Software and other intangible assets	820			(820)		(820)	
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>95 698</b>	<b>4 699</b>		<b>14 156</b>	<b>9 600</b>	<b>28 455</b>	<b>124 153</b>

### Programme 3. Policy and Governance

Table 1.1.3: Adjusted Estimates

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1.Special Programmes	15 556			(1 869)		500	14 187
2.Intergovernmental Relations	8 430			445		2 000	10 875
3.Provincial Policy Management	20 210			(2 076)	(1 200)	3 200	20 134
<b>Subtotal</b>	<b>44 196</b>			<b>(3 500)</b>	<b>(1 200)</b>	<b>5 700</b>	<b>45 196</b>
<b>Economic classification</b>							
<b>Current payments</b>	43 661			(3 485)	(1 200)	5 700	44 676
Compensation of employees	33 408			(5 900)	(1 200)	5 700	32 008
Goods and Services	10 253			2 415			12 668
Interest and rent on land							0
<b>Transfers and subsidies to;</b>	365			(25)			340
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	365			(25)			340
<b>Payments for capital assets</b>	170			10			180
Buildings and other fixed structures							
Machinery and equipment	170			10			180
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>44 196</b>			<b>(3 500)</b>	<b>(1 200)</b>	<b>5 700</b>	<b>45 196</b>

## Details of adjustments to estimates of Provincial Revenue and Expenditure 2014

### Roll-overs - R4.600 million

#### Programme 2: Institutional Enhancement

The approved rollover of R4.600 million will be utilised for the procurement of the Community Development Workers (CDW) laptops.

### Unforeseeable and Unavoidable expenditure-

Not applicable to the department

### Virements and Shifts-

**Table 1.2: Details on virements and shifts within a department**

Programmes Summary			Motivation	R' thousand				Motivation	R' thousand
1.Administration				(10 656)	1.Administration				
2.Institutional Development					2.Institutional Development				14 156
3.Policy and Governance				(3 500)	3.Policy and Governance				
FROM:					TO:				
Programme by Economic classification	Motivation			R' thousand	Programme by Economic classification	Motivation			R' thousand
Programme 1				(16 400)	Programme 2				7 656
Compensation of employees	To finance Provincial Communication strategy and operational costs of Programme 2			(16 400)	Goods and services	To finance Provincial Communication strategy and operational costs of Programme 2			7 656
					Programme 1 - Goods and Services	Finance operational for programme 1			8 744
Goods and Services	To finance households and capital assets			(3 194)	Programme 1 - Households	To finance households			36
					Programme 1 -Capital Assets	To finance capital assets			158
					Programme 2 -Goods and services	To finance Provincial Communication strategy and operational costs of Programme 2			3 000
Percentage of programme budget				8%					

Programmes Summary		Motivation	R' thousand			Motivation	R'thousand
<b>Programme 2</b>			<b>(5 530)</b>	<b>Programme 2</b>			<b>5 530</b>
<b>Goods and Services</b>	To finance Operational budget in Programme 2		(4 710)	<b>Transfers and subsidies</b>	To finance operational budget within programme 2		100
<b>Software and intangible</b>			(820)	<b>Capital Assets</b>			5 430
<b>Percentage of programme budget</b>			<b>0%</b>				
<b>Programme 3</b>			<b>(6 075)</b>	<b>Programme 3</b>			<b>6 075</b>
<b>Households</b>	To finance items that are overspending such as Capital Assets ,Goods and Services within programme 3		(175)	<b>Goods and services</b>	To finance items that are overspending such as Capital Assets ,Goods and Services within programme 3		6 065
<b>Compensation of employees</b>			(5 900)	<b>Capital Assets</b>			10
<b>Goods and services</b>			(150)	<b>Transfers and subsidies</b>			150
<b>Goods and services</b>	To finance Provincial Communication strategy and operational costs of Programme 2		(3 500)	<b>Programme 2 - Goods and services</b>	To finance Provincial Communication strategy and operational costs of Programme 2		3 495
				<b>Capital Assets</b>			5
<b>Percentage of programme budget</b>			<b>8%</b>				
<b>Total</b>			<b>(14 156)</b>				<b>14 156</b>

## Virements

### Programme 1: Administration

A virement of **R7.656 million** from compensation of employees in programme 1 was shifted to Programme 2 - goods and services. An amount of **R3.000 million** from goods and services is a virement to Programme 2 to finance Provincial Communication strategy and other operational costs in the department.

### Programme 2: Institutional Development

Programme 2 received a virement from Programme 1 of **R10.656 million** which was allocated to goods and services to fund the Provincial Communication Strategy. An amount of **R3.500 million** was shifted from goods and services in Programme 3 to be allocated to goods and services (R3.495 million) and capital assets (R0.005 million) in programme 2.

## Shifting of Funds within Main Division

### *Programme 1: Administration*

A shifting of **R0.194 million** from goods and services was made to capital assets of **R0.158 million** and **R0.036 million** to Households respectively. And an amount of **R8.744 million** in Programme 1 was shifted to goods and services in the same programme. A total amount of **R0.183 million** was to cover the total overspending of goods and services, households (R0.011 million) and capital assets (R0.172 million) within Programme 1.

### *Programme 2: Institutional Development*

An amount of **R4.710 million** from goods and services was shifted to transfers and subsidies (R0.100 million) and capital Assets (R4.610 million). A further shifting of R0.820 million was shifted from software and intangible assets to machinery and equipment.

### *Programme 3: Policy and Governance*

An amount of **R5.900 million** was shifted from Compensation of employees to goods and services within Programme 3.

An amount of **R0.175 million** was shifted from households to capital assets (R0.010 million) and Goods and services (R0.165 million) within Programme 3. An amount of **R0.150 million** from Goods and services was shifted to transfer and subsidies.

### *Other adjustments*

The Department of the Premier received an additional R30.000 million for compensation of employees' shortfall.

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

Not applicable

### *Use of funds in emergency situations in terms of section 16 of the PFMA*

Not applicable in the department

### *Self-financing expenditure*

Not applicable in the department

### *Funds shifted between votes following a transfer of function*

An amount of **R1.200 million** was shifted to the Department of Education due to the transfer of an official from the Department of the Premier.



**Funds shifted within a vote to follow a functions shift within the same vote**

Not applicable in the department

**Gifts, donations and sponsorships**

Not applicable in the department

**Declared unspent**

Not applicable in the department

**Amounts forming a direct charge against the provincial Revenue Fund**

Not applicable

**Expenditure 2013/14 and preliminary expenditure 2014/15**

Table 1.3: Expenditure trends

	2013/14					2014/15		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr - Sep 2013	Apr - Sep 2013 % of adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % adjusted appropriation	Adjusted appropriation	Apr - Sep 2014	Apr - Sep 2014 % of adjusted appropriation
1.Administration	132 811	64 855	49%	132 678	100%	134 664	67 871	50%
2.Institutional Enhancement	106 631	50 650	48%	98 280	92%	124 153	61 162	49%
3.Policy & Governance	39 973	19 993	50%	40 923	102%	45 196	23 054	51%
<b>Subtotal</b>	<b>279 415</b>	<b>135 498</b>	<b>48.49%</b>	<b>271 881</b>	<b>97.30%</b>	<b>304 013</b>	<b>152 087</b>	<b>50.03%</b>
<b>Direct charge against the Provincial Revenue Fund</b>								
<b>Total</b>	<b>274 779</b>	<b>135 498</b>	<b>49.31%</b>	<b>271 881</b>	<b>98.95%</b>	<b>304 013</b>	<b>152 087</b>	<b>50.03%</b>
<b>Current payments</b>	<b>271 923</b>	<b>134 180</b>	<b>49%</b>	<b>268 965</b>	<b>98.91%</b>	<b>296 073</b>	<b>146 571</b>	<b>49.51%</b>
Compensation of employees	186 799	93 694	50%	186 915	100%	205 064	102 686	50%
Goods and services	85 901	40 486	47%	82 050	96%	91 009	43 885	48%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>543</b>	<b>461</b>	<b>84.90%</b>	<b>791</b>	<b>145.67%</b>	<b>512</b>	<b>991</b>	<b>193.55%</b>
Provinces and municipalities								
Departmental agencies and accounts						11		
Universities and technikons								
Public corporations & private enterprises				32	0%			
Non-profit institutions	12		0%					
Households	592	461	78%	759	128%	501	991	198%
<b>Payments for capital assets</b>	<b>2 313</b>	<b>857</b>	<b>37%</b>	<b>1 745</b>	<b>75.44%</b>	<b>7 428</b>	<b>4 525</b>	<b>60.92%</b>
Buildings and other fixed structures								
Machinery and equipment	6 111	857	14%	1 745	29%	7 428	4 525	61%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Heritage Asset								
<b>Payments for financial assets</b>				380				
<b>Total</b>	<b>274 779</b>	<b>135 498</b>	<b>49.31%</b>	<b>271 881</b>	<b>98.95%</b>	<b>304 013</b>	<b>152 087</b>	<b>50.03%</b>

## **Main Expenditure Trends for the first half of the 2014/5 Financial Year**

Expenditure in the first six months of 2014/15 amounted to R152.087 million or 50.03 percent of the adjusted appropriation of R270.514 million for the current financial year. All the programmes had spent as expected. In comparison to the previous financial year, there is an increase of 0.72 percent increase in terms of spending.

### **The main decreases/increase related to:**

#### **Programme 1: Administration**

The expenditure in the first six months of the 2014/15 financial year amounted to R67.871 million or 50 percent of the adjusted budget. Expenditure outcome in previous year was 1 percent less.

#### **Programme 2: Institutional Development**

The expenditure in the first six months of the 2014/15 financial year amounted to R61.162 million or 49 percent of the adjusted budget. Expenditure outcome in previous year was 48 percent. An improvement in spending in the current financial year is due to the spending on the communication strategy.

#### **Programme 3: Policy and Governance**

The expenditure in the first six months of the 2014/15 financial year amounted to R23.054 million or 51 percent of the adjusted budget which exceeded the norm by only 1 percent. Expenditure outcome in previous year was at 50 percent spending and within the norm.

#### **Current Payments**

The 49.5 percent spending on current payments in the first six months is due to procured Goods and Services in the Department of which it contribute 78 percent of appropriated budget.

#### **Transfers and Subsidies**

The R0.991 million or 193.5 percent spending on transfers in the first six months is due to unanticipated resignations and death of personnel in the department.

#### **Payments for Capital Assets**

The R4.525 million or 60.9 percent is mostly contributed by the procurement of laptops for CDW personnel.

## Departmental receipts

Table 1.4: Departmental receipts trends

R thousand	2013/14					2014/15			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr - Sep 2013	Apr - Sep 2013 % of adjusted estimate	Apr 2013 - Mar 2014	Apr 2013- Mar 2014 % adjusted estimate	Budget estimate	Adjusted estimate	Apr - Sep 2014	Apr - Sep 2014 % of adjusted estimate
Departmental receipts	4 648	2 263	48.69%	5 416	116.52%	5 043	5 179	2 900	56.00%
Tax receipts									
Sales of goods and services other than	4 000	1 612	40%	5 028	126%	4 376	4 962	2 757	56%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3	6	200%			3	3	1	33%
Sales of capital assets									
Financial transactions in assets and liabilities	645	645	100%	388	60%	664	214	142	66%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>4 648</b>	<b>2 263</b>	<b>48.69%</b>	<b>5 416</b>	<b>116.52%</b>	<b>5 043</b>	<b>5 179</b>	<b>2 900</b>	<b>56.00%</b>

## Main departmental revenue trends for the first half of 2014/15

### Over/ under collection due to following:

#### Services Rendered: Commission on Insurance

- The original projection on the collation of this item was under estimated and will therefore be increased in the proposed adjustment budget.

#### Sale of goods produced by the Department

- There is marked increase from the collections for the previous financial year for the adverts in, and subscriptions to, the Provincial Gazette and the Tender Bulletin.

#### Sale of scrap

- A delay in the delivery of cellphone handsets is resulting in the under collection on this item. It is expected that there will be an increase in the collection under this item, resulting in an increase in the proposed adjustment budget.

#### Interest

- The small amount collected under this item is as a result of the few interest bearing debts, and the slow payment rate by debtors.

**Financial transactions in assets and liabilities**

- It is not projected that the budgeted amount on these items will be collected, therefore it is proposed that the amount be decreased in the adjustment budget

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

Not applicable to the department

**Revised Infrastructure project list**

Not applicable to the department

**Changes to Revenue Enhancement Allocation, Including Earmarked funds**

Table 1.5: Summary of changes Provincial Earmarked Funds per programme

Subprogramme		2014/15							
R'thousand	Main appropriation	Adjustments Appropriation							
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation	
Economic classification									
1.Programme 2;Institutional Enhancement									
Current	15 000			(15 000)			(15 000)		
Goods and Services									
Contractors:graphic design	15 000			(15 000)			(15 000)		
2.Programme 2;Institutional Enhancement									
Current				15 000			15 000	15 000	
Goods and Services									
Advert:Marketing				10 400			10 400	10 400	
Capital Assets									
Machinery and equipment									
Laptops				4 600			4 600	4 600	
Total Provincial Earmarked funds		15 000							15 000

**VOTE 2**

**FREE STATE LEGISLATURE**

## Vote 2

## Free State Legislature

## Adjusted budget summary

R thousand	2014/15			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>176 209</b>	<b>203 780</b>		<b>27 571</b>
<b>of which:</b>				
Current payments	143 717	146 709		2 992
Transfers and subsidies	31 041	55 459		24 418
Payments for capital assets	1 451	1 612		161
Payments for financial assets				
<b>Revenue Fund</b>	<b>176 209</b>	<b>203 780</b>		<b>27 571</b>
<b>Executive Authority</b>	<b>Speaker to the Legislature: Hon Mabe</b>			
<b>Accounting Officer</b>	<b>Secretary to the Legislature: Adv. TS Mokoena</b>			
<b>Website address</b>	<a href="http://www.fsl.gov.za">www.fsl.gov.za</a>			

## Aim

To provide funding for the legislative and institutional support services required by the Legislature to fulfil its constitutional function.

## Changes to programme purposes, objectives and measures

There were no changes to the programmes purposes, objective and measures. The FSL has thus not experienced or changed any indicators in the financial year 2014/15.

Table 2.1(a): Adjusted Estimates

Programme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	
1.Administration	90 447			(3 131)			(3 131)	87 316
2.Facilities & Benefits for Members	32 530			634		25 214	25 848	58 378
3.Procedural Services	31 571			1 921			1 921	33 492
Subtotal	154 548			(576)		25 214	24 638	179 186
Direct charge against the Provincial Revenue Fund								
Item	21 661			576		2 357	2 933	24 594
Total	176 209					27 571	27 571	203 780

## Economic classification

Table 2.1(b): Adjusted Estimates

Programme	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
<b>Economic classification</b>							
<b>Current payments</b>	143 717			635		2 357	146 709
Compensation of employees	88 615			4 474		2 357	95 446
Goods and Services	55 102			(3 839)			51 263
Interest and rent on land							
<b>Transfers and subsidies to;</b>	31 041			(796)		25 214	55 459
Provinces and municipalities							
Departmental agencies and account	28 842					25 214	54 056
Universities and technikons	12						12
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	254						254
Households	1 933			(796)			1 137
<b>Payments for capital assets</b>	1 451			161			1 612
Buildings and other fixed structures							
Machinery and equipment	1 434			67			1 501
Cultivated assets							
Software and other intangible assets	17			94			111
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>176 209</b>					<b>27 571</b>	<b>203 780</b>

**Programme 1: Administration**

Table 2.1.1: Adjusted Estimates

Subprogramme	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
R'thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Office of the Speaker	15 633			1 320			16 953
2. Office of the Secretary	26 696			(3 802)			22 894
3. Office of the CFO	32 374			(2 025)			30 349
4. Corporate Services	15 744			1 376			17 120
<b>Total</b>	<b>90 447</b>			<b>(3 131)</b>			<b>87 316</b>
<b>Economic classification</b>							
<b>Current payments</b>	86 815			(2 496)			84 319
Compensation of employees	40 700			1 220			41 920
Goods and Services	46 115			(3 716)			42 399
Interest and rent on land						0	
<b>Transfers and subsidies to;</b>	2 199			(796)			1 403
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons	12						12
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	254						254
Households	1 933			(796)			1 137
<b>Payments for capital assets</b>	1 433			161			1 594
Buildings and other fixed structures							
Machinery and equipment	1 416			67			1 483
Cultivated assets						0	
Software and other intangible assets	17			94			111
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>90 447</b>			<b>(3 131)</b>			<b>87 316</b>



## Programme 2: Facilities &amp; Benefits for Members

Table 2.1.2: Adjusted Estimates

Subprogramme		2014/15				
R'thousand	Main appropriation	Adjustments Appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent Other adjustments	
1.Facilities & Benefits to Members	3 688			634		4 322
2.Political Support Services	28 842				25 214	54 056
<b>Total</b>	<b>32 530</b>			<b>634</b>	<b>25 214</b>	<b>58 378</b>
<b>Economic classification</b>						
<b>Current payments</b>	3 688			634		4 322
Compensation of employees						
Goods and Services	3 688			634		4 322
Interest and rent on land						
<b>Transfers and subsidies to;</b>	28 842				25 214	54 056
Provinces and municipalities						
Departmental agencies and account	28 842				25 214	54 056
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households						
<b>Payments for capital assets</b>						
Buildings and other fixed structures						
Machinery and equipment						
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
<b>Payments for financial assets</b>						
<b>Total</b>	<b>32 530</b>			<b>634</b>	<b>25 214</b>	<b>58 378</b>

**Programme 3: Parliamentary Services**

Table 2.1.3: Adjusted Estimates

Subprogramme		2014/15							
R'thousand	Main appropriation	Adjustments Appropriation						Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments			
1.Procedural Services	28 071			1 787				1 787	29 858
2.Legal Services	3 500			134				134	3 634
Total	31 571			1 921				1 921	33 492
Economic classification									
Current payments	31 553			1 921				1 921	33 474
Compensation of employees	26 254			2 678				2 678	28 932
Goods and Services	5 299			(757)				(757)	4 542
Interest and rent on land									
Transfers and subsidies to;									
Provinces and municipalities									
Departmental agencies and account									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets		18							18
Buildings and other fixed structures									
Machinery and equipment	18								18
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets									
Total	31 571			1 921				1 921	33 492

## Direct Charges

Tabel 2.1.4: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1.Procedural Services	21 661			576		2 357	2 933	24 594
<b>Total</b>	<b>21 661</b>			<b>576</b>		<b>2 357</b>	<b>2 933</b>	<b>24 594</b>
<b>Economic classification</b>								
<b>Current payments</b>	21 661			576		2 357	2 933	<b>24 594</b>
Compensation of employees	21 661			576		2 357	2 933	24 594
Goods and Services								
Interest and rent on land								
<b>Transfers and subsidies to;</b>								
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>21 661</b>			<b>576</b>		<b>2 357</b>	<b>2 933</b>	<b>24 594</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014**

Explanations are provided of the amounts reflected as adjusted appropriations.

**Other Adjustments**

Twenty seven million five hundred and seventy one thousands: R27.571 million. Funding will be sourced in full from retained revenue of the Legislature and this amount will be allocated as follows:

**Direct Charges:**

The Gratuity payments are for non-returning members who had no budget allocation. The general elections held 07 May 2014 resulted in a number of Members of the Legislature, not returning for the fifth term Legislature. The President of the Republic of South Africa issued a proclamation (no. 52 of 2008) which provides for gratuity payments to non-returning Public Office-bearers.

The financial implication of this provision was R2.933 million. An amount of R2.357 million from retained revenue shall partially fund the shortfall; the remaining balance of R0.576 million shall be funded through reprioritization in programme 1.

Programme 2: Facilities and Benefits for members

**Transfers & Subsidies**

An amount of R25.214 million is required to finance political party fund to Political Parties, due to budget constraints, the Legislature had to budget within the allocation received from Provincial Treasury for the 2014/15 financial year. This expenditure has become unavoidable as evident in the Legislature's In Year Reporting as it is currently projecting over expenditure.

## Virements and Shifts

Critical Posts: The Legislature recorded 48 percent vacancy rate of its organisational structure. An exercise was conducted whereby a review and subsequent reduction of posts have been concluded. Thirty posts have been identified as critical, after the review of the organisational structure. No funding was however available for the filling of the identified posts.

A second exercise was conducted whereby the number of critical posts was reduced from thirty to twenty. The twenty posts are centred under the Office of the Speaker (five posts- Oversight), Legislation and Oversight (three researcher posts) and Office of the Chief Financial Officer (two management posts at Finance and Supply Chain Management), absorption of six intern posts into permanent structure, Institutional Support (two posts), one protocol officer post as well as the appointment of a security manager under the Office of the Secretary.

Appointments will be concluded at the beginning of the fourth quarter and reprioritization has been done to accommodate the financial implications thereof.

In this table adjusted expenditure is set out in accordance with the categories of expenditure specified in section 30(2) of the PFMA by programme and economic classification.

Table 2.2 Details of virements within the Department

Programmes Summary					
1.Administration		(4 516)	1 385		
2.Facilities & Benefits for Members & Political Parties			634		
3.Parliamentary Services		(757)	2 678		
Direct Charges			576		
Total		(5 273)	5 273		
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1		(4 516)	Programme 1		1 385
Goods and Services	Reprioritization	(3 716)	Compensation of employees	Critical Positions to be filled	1 220
Transfers and Subsidies	Reprioritization	(800)	Machinery & Equipment	For shortfall, For purchase of VIP vehicle	67
			Software & other intangibles	software required due to relocation of Hansard to	94
			Transfers and Subsidies		4
			Programme 2		634
			Goods and services	Unavoidable costs of resettlement fees for members & audit fees	634
			Programme 3		1 921
			Compensation of employees	Critical Positions to be filled	1 921
			Direct charges		576
			Compensation of employees	Gratuity fees paid out to outgoing members on Compensation	576
Percentage of programme budget		5%			
Programme 3		(757)	Programme 3		757
Goods and services	Reprioritization	(757)	Compensation of employees	Critical Positions to be filled	757
Percentage of programme budget		2%			
Total		(5 273)	5 273		

**Programme 1: Administration**

## Compensation of Employees

An amount of R1.220 million was reprioritised within the programme to cater for the identified critical positions, and R2.933 million was allocated to Direct Charges for Gratuity payments to non-returning members.

## Goods &amp; Services

Reprioritisation had to be done in order to ensure that the critical identified positions are budgeted for during the adjustment budget. An amount of R3.716 million had to be shifted to cater for other priorities in the programme.

## Transfers &amp; Subsidies

An amount of R0.004 million was shifted from goods & services to reduce the shortfall on the Transfers and subsidies allocation.

## Capital Payments

An amount of R0.161 million was reprioritised in order to defray expenditure for Capital payments

**Programme 2: Facilities and Benefits for Members**

## Goods &amp; Services

An amount of R0.634 million was shifted from Programme 1 to Programme 2 to reallocate funds that were incorrectly budgeted for under Programme 1 and also to cater for relocation fees for members.

**Programme 3: Parliamentary Services**

## Compensation of Employees

An amount of R0.757 million was reprioritised within the programme to defray the shortfall in Compensation of Employees budget and R1.921 million from Programme 1 was also allocated under Compensation of Employees for critical positions that are to be filled.

## Direct Charges

An amount of R0.576 million was shifted from programme1 to ensure that expenditure for gratuity fees is budgeted for and that it remains within the budget limits.

## Expenditure 2013/14 and preliminary expenditure 2014/15

Table 2.3: Expenditure trends

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013 % adjusted		Apr 2013 - Mar 2014 % adjusted		Adjusted appropriation	Apr 14 - Sep 14 % of adjusted appropriation	
		Apr 2013 - Sep 2013	adjusted appropriation	Apr 2013 - Mar 2014	adjusted appropriation		Apr 2014- Sep 2014	
1. Administration	70 379	29 826	42.38%	80 851	115%	62 717	28 120	45%
2. Facilities & Benefits for Members	52 087	26 616	51.10%	52 012	99.86%	58 384	31 513	54%
3. Parliamentary Services	29 223	13 424	45.94%	27 868	95.36%	33 491	14 449	43%
Direct Charges	20 630	10 408	50.45%	21 333	103.41%	24 594	12 974	53%
<b>Subtotal</b>	<b>172 319</b>	<b>80 274</b>	<b>46.58%</b>	<b>182 064</b>	<b>105.66%</b>	<b>179 186</b>	<b>87 056</b>	<b>48.58%</b>
Direct charge against the Provincial Revenue Fund	20 630	10 408	50.45%	21 333	103.41%	24 594	12 974	53%
	20630	10408		21333		24594	12974	
<b>Total</b>	<b>192 949</b>	<b>90 682</b>	<b>47.00%</b>	<b>203 397</b>	<b>105.41%</b>	<b>203 780</b>	<b>100 030</b>	<b>49.09%</b>
<b>Current payments</b>	<b>139 704</b>	<b>63 103</b>	<b>45.17%</b>	<b>129 021</b>	<b>92.35%</b>	<b>146 708</b>	<b>68 829</b>	<b>46.92%</b>
Compensation of employees	82 854	37 224	44.93%	81 307	98.13%	95 446	47 108	49.36%
Goods and services	56 850	25 879	45.52%	47 714	83.93%	51 262	21 721	42.37%
Interest and rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>50 504</b>	<b>26 034</b>	<b>51.55%</b>	<b>50 453</b>	<b>99.90%</b>	<b>55 461</b>	<b>29 747</b>	<b>53.64%</b>
Provinces and municipalities								
Departmental agencies and accounts	48 579	24 654	50.75%	48 707	100.26%	54 062	29 472	54.52%
Universities and technikons	24		0%	24	100.00%	12		0.00%
Public corporations & private enterprises								
Non-profit institutions	94	2	2%	32	34.04%	254	59	23.23%
Households	1 807	1 378	76%	1 690	93.53%	1 133	216	19.06%
<b>Payments for capital assets</b>	<b>2 741</b>	<b>1 545</b>	<b>56%</b>	<b>2 578</b>	<b>94.05%</b>	<b>1 611</b>	<b>1 454</b>	<b>90.25%</b>
Buildings and other fixed structures		9	0%					
Machinery and equipment	2 616	1 519	58%	2 323	88.80%	1 500	1 349	89.93%
Specialised military assets								
Cultivated assets								
Software and other intangible assets	125	17	14%	255	204.00%	111	105	94.59%
Land and subsoil assets								
<b>Payments for financial assets</b>				12				
<b>Total</b>	<b>192 949</b>	<b>90 682</b>	<b>47.00%</b>	<b>182 064</b>	<b>94.36%</b>	<b>203 780</b>	<b>100 030</b>	<b>49.09%</b>

### Main expenditure trends for the first half of the 2014/15 financial year

Expenditure in the first six months of 2014/15 amounted to R100.030 million or 49.09 percent.

The spending trends are in line with adjusted budgetary provision.

#### Programme 1: Administration

The lower percentage spending is attributed by the delay in implementation of programmes due to national elections taking place at the beginning of the financial year; however the expenditure percentage has improved when compared to that of the last financial year. Vacant positions to be filled in the fourth quarter will also increase the expenditure.

#### Programme 2: Facilities and Benefits to Members and Political Parties

The expenditure is per internal policy and funding prescripts for Political Parties, and therefore expenditure shall remain within the budget.

## Programme: 3: Parliamentary Services

The expenditure rate will reach norm by the end of the financial year.

**Current Payments**

Current expenditure during the first half of the current financial year is recorded at 46.92 percent. No overspending is anticipated with the additional funds to be appropriated to support the new vacant positions.

**Transfers and subsidies**

The spending of 53.64 percent is in line with budget objectives. There is no overspending anticipated.

**Payments for capital assets**

The expenditure for capital assets has increased significantly at 90.25 percent relating this expenditure to replacement of the VIP vehicle. There is also no overspending anticipated.

**Departmental receipts**

Table 2.3 Revenue trends

2013/14						2014/15			
Audited outcome						Actual receipts			
R thousand	Adjusted estimate	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014 % adjusted estimate			Budget estimate	Adjusted estimate	Apr 2014 - Sep 2015 % of adjusted estimate	
Departmental receipts	1 590	1 358	85.41%	2 504	157.48%	1 270	1 230	335	27.24%
Tax receipts									
Sales of goods and services other than	90	80		101			140	90	
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	1 200	1 027		2 074		1 000	1 000	190	
Sales of capital assets	300	251		277		270	90	55	
Donations	10	10							
Financial transactions in assets and liabilities				52					
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>1 590</b>	<b>1 358</b>	<b>85.41%</b>	<b>2 504</b>	<b>157.48%</b>	<b>1 270</b>	<b>1 230</b>	<b>335</b>	<b>27.24%</b>



## Changes to transfers and subsidies, including conditional grants

Table 2.4: Summary of changes to transfers and subsidies per programme

2014/15								
R thousand	Main appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Devclared savings	Other adjustments		
<b>1. Administration</b>	<b>2,199</b>						<b>(796)</b>	<b>1,403</b>
<b>Economic sphere</b>								
<b>Current</b>								
Economic classification item								
Higher Education institutions	12							12
Non Profit Institutions	254							254
Households	1,933			(796)			(796)	1,137
<b>2. Facilities &amp; Benefits to Members</b>	<b>28,842</b>					<b>25,214</b>	<b>25,214</b>	<b>54,056</b>
<b>Economic sphere</b>								
<b>Current</b>								
Economic classification item								
Departmental Agencies	28,842					25,214	25,214	54,056
<b>Total transfers and subsidies</b>	<b>31,041</b>							<b>55,459</b>

**VOTE 3**

**DEPARTMENT OF ECONOMIC AND SMALL  
BUSINESS DEVELOPMENT, TOURISM AND  
ENVIRONMENTAL AFFAIRS**

# Vote 3

## Department of Economic and Small Business Development, Tourism and Environmental Affairs

### Adjusted budget summary

R thousand	2014/15			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	444 084	450 974	(43 675)	50 565
<i>of which:</i>				
Current payments	285 357	299 469	(6 975)	21 087
Transfers and subsidies	103 085	125 003		21 918
Payments for capital assets	55 642	25 602	(36 700)	6 660
Payments for financial assets	-	900		900
<b>Revenue Fund</b>	<b>444 084</b>	<b>450 974</b>	<b>(43 675)</b>	<b>50 565</b>
<b>Executive Authority</b>	MEC for Economic and Small Business Development, Tourism and Environmental Affairs			
<b>Accounting Officer</b>	The Head of Department: Economic and Small Business Development, Tourism and Environmental Affairs			
<b>Website address</b>	<a href="http://www.detea.fs.gov.za">www.detea.fs.gov.za</a>			

### Aim

To provide an economic and environmental governance system that contributes towards sustainable livelihoods together with relevant stakeholders to ensure job creation and poverty alleviation within the Free State Province.

### Changes to programme purpose, objective and measures

The programme structure for the Department did not change, and remains aligned to the annual performance plan. However, due to a new mandate allocated to the department a new unit of Small Business Development was introduced, functions performed by this unit are captured in two of the sub-programmes contained in the current APP. A revised budget structure will be introduced in 2015/16.

### Adjusted Estimates of Revenue and Expenditure

Table 3.1: Adjusted Estimates

Programme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other Adjustments		
Programme 1: Administration	124 155			(150)			(150)	124 005
Programme 2: Environmental Affairs	174 832	3 039		(27 930)	(7 000)	(3 097)	(34 988)	139 844
Programme 3: Economic Development	96 757	2 619		20 849		9 829	33 297	130 054
Programme 4: Tourism	48 340			7 231		1 500	8 731	57 071
Subtotal	444 084	5 658			(7 000)	8 232	6 890	450 974

## Economic classification

Programme	2014/15							
	Main appropriation	Adjustments Appropriation					Total Adjustment appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other Adjustments			
R'thousand								
Economic classification								
Current payments	285 357			6 711		6 732	13 443	298 800
Compensation of employees	194 294			3 000		(3 475)	(475)	193 819
Goods and Services	91 063			3 711		10 207	13 918	104 981
Interest and rent on land								
Transfers and subsidies to;	103 085	2 619		17 899		1 500	22 018	125 103
Provinces and municipalities								
Departmental agencies and account								
Free State Gambling and Liquor Board	48 251	2 619					2 619	50 870
Free State Tourism Authority	39 864			5 300		1 500	6 800	46 664
TV Licenses(SABC)	174							174
Universities and technikons								
Public corporations and private enterprises								
Free State Development Corporation	1 200							1 200
Other transfers to private enterprises	13 596			11 319			11 319	24 915
Foreign governments and international organisations								
Non-profit institutions								
Households				1 280			1 280	1 280
Payments for capital assets	55 642	3 039		(25 510)	(7 000)		(29 471)	26 171
Buildings and other fixed structures	51 900	3 039		(29 700)	(7 000)		(33 661)	18 239
Machinery and equipment	3 742			4 190			4 190	7 932
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Payments for financial assets				900			900	900
Total	444 084	5 658			(7 000)	8 232	6 890	450 974

**Programme 1: Administration**

Sub programme		2014/15					
R/thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other Adjustments	
1. Office of the MEC	10 978			350			11 328
2. Management Services	30 830			(2 364)			28 466
3. Financial Management	54 205			1 814			56 019
4. Corporate Services	28 142			50			28 192
<b>Total</b>	<b>124 155</b>			<b>(150)</b>			<b>124 005</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>122 441</b>			<b>(2 028)</b>			<b>120 413</b>
Compensation of employees	77 780						77 780
Goods and Services	44 661			(2 028)			42 633
Interest and rent on land							
<b>Transfers and subsidies to;</b>	<b>4</b>			<b>240</b>			<b>244</b>
Provinces and municipalities							
Departmental agencies and account							
TV Licenses(SABC)	4						4
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				240			240
<b>Payments for capital assets</b>	<b>1 710</b>			<b>838</b>			<b>2 548</b>
Buildings and other fixed structures							
Machinery and equipment	1 710			838			2 548
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>				<b>800</b>			<b>800</b>
<b>Total</b>	<b>124 155</b>			<b>(150)</b>			<b>124 005</b>

**Programme 2: Environmental Affairs**

Sub programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other Adjustments	
1. Environmental Quality Management	16 701						16 701
2. Policy Coordination Planning & Environmental Plannii	4 308						4 308
3. Compliance and Enforcement	8 036			120			8 156
4. Biodiversity Management	131 783	3 039		(28 350)	(7 000)	(3 097)	96 375
5. Environmental Empowerment Services	14 004			300		-	14 304
<b>Total</b>	<b>174 832</b>	<b>3 039</b>		<b>(27 930)</b>	<b>(7 000)</b>	<b>(3 097)</b>	<b>139 844</b>
<b>Economic classification</b>							
<b>Current payments</b>	121 717			(1 198)		(3 097)	117 422
Compensation of employees	89 414					(3 475)	85 939
Goods and Services	32 303			(1 198)		378	31 483
Interest and rent on land							
<b>Transfers and subsidies to;</b>	170			225			395
Provinces and municipalities							
Departmental agencies and account							
TV Licenses(SABC)	170						170
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				225			225
<b>Payments for capital assets</b>	52 945	3 039		(27 027)	(7 000)		21 957
Buildings and other fixed structures	51 900	3 039		(29 700)	(7 000)		18 239
Machinery and equipment	1 045			2 673			3 718
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>				70			70
<b>Total</b>	<b>174 832</b>	<b>3 039</b>		<b>(27 930)</b>	<b>(7 000)</b>	<b>(3 097)</b>	<b>139 844</b>

**NOTE:**

In terms of a Memorandum of understanding signed between the National Department of Environmental Affairs (DEA) and the Free State Department of Economic and Small Business Development, Tourism and Environmental Affairs (DESTE), DESTE was appointed as implementing agent on behalf of DEA for the implementation of projects in relation to the Extended Public Works Conditional Grant which was allocated to DEA in the 2014/15 financial year.

An amount of R4.6 million was awarded to the Free State for the implementation of Priority Biodiversity Rehabilitation Projects in the Free State.

This amount does not form part of the provincial appropriation but will be spent in the Department under Programme 2 on behalf of DEA.

### Programme 3: Economic Development

Sub programme		2014/15					
R' thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other Adjustments	
1. Integrated Economic Development and Planning	17 758			4 330			22 088
2. Sector Development	18 816			16 719		9 829	45 364
3. Business Regulations and Governance	60 183	2 619		(200)			62 602
<b>Total</b>	<b>96 757</b>	<b>2 619</b>		<b>20 849</b>		<b>9 829</b>	<b>130 054</b>
<b>Economic classification</b>							
<b>Current payments</b>	32 949			8 456		9 829	51 234
Compensation of employees	21 000			3 000			24 000
Goods and Services	11 949			5 456		9 829	27 234
Interest and rent on land							
<b>Transfers and subsidies to;</b>	63 047	2 619		11 684			77 350
Provinces and municipalities							
Departmental agencies and account							
Free State Gambling and Liquor Board	48 251	2 619					50 870
Free State Tourism Authority							
TV Licenses(SABC)							
Universities and technikons							
Public corporations and private enterprises	13 596			11 319			24 915
Free State Development Corporation	1 200						1 200
Other transfers to private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				365			365
<b>Payments for capital assets</b>	761			679			1 440
Buildings and other fixed structures							
Machinery and equipment	761			679			1 440
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>				30			30
<b>Total</b>	<b>96 757</b>			<b>20 849</b>		<b>9 829</b>	<b>130 054</b>

**Programme 4: Tourism**

Sub programme		2014/2015						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other Adjustments	Total adjustment appropriation	Adjusted appropriation
1. Tourism Planning	48 340			7 231		1 500	8 731	57 071
Total	48 340			7 231		1 500	8 731	57 071
Economic classification								
Current payments	8 250			1 481			1 481	9 731
Compensation of employees	6 100							6 100
Goods and Services	2 150			1 481			1 481	3 631
Interest and rent on land								
Transfers and subsidies to;	39 864			5 750		1 500	7 250	47 114
Provinces and municipalities								
Departmental agencies and account								
Free State Gambling and Liquor Board								
Free State Tourism Authority	39 864			5 300		1 500	6 800	46 664
TV Licenses(SABC)								
Universities and technikons								
Public corporations and private enterprises								
Free State Development Corporation								
Foreign governments and international organisations								
Non-profit institutions								
Households				450			450	450
Payments for capital assets	226							226
Buildings and other fixed structures								
Machinery and equipment	226							226
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total	48 340			7 231		1 500	8 731	57 071



## **Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014**

### **Roll-overs – R5.658 million**

The following roll-over amounts were approved:

#### **Programme 2: Environmental Affairs**

##### **Infrastructure Enhancement Allocation - R3.039 million**

The rollover is approved in relation to the finalization of the projects at Maria Moroka Nature Reserve (R1.195 million), Upgrades to fences at all resorts and reserves (R0.885 million), Fencing at Maria Moroka Nature Reserve R0.464 million.

#### **Programme 3: Economic Development**

##### **Revenue Enhancement Allocation: R2 619 million**

The rollover is approved in relation to the Revenue Enhancement Allocation as a transfer to the Free State Gambling and Racing Authority for the creation of a database.

### **Unforeseeable and unavoidable expenditure**

None

### **Virements and Shifts**

Details of all virements are discussed below.

Table 3.2: Details on virements and shifts within the department

Programmes Summary					
1.Administration					
2.Environmental Affairs					
3.Economic Development					
4. Tourism					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1: Administration		(3 028)	Programme 1: Administration		2 878
Goods and services	New furniture, printing machines and computers were needed for secretaries and certain offices.	(838)	Machinery and Equipment	New furniture, printing machines and computers were needed for secretaries and certain offices.	838
Goods and services	Increase on transfers to households	(190)	Households	Increase on transfers to households	240
Goods and services	Services rendered for small businesses	(2 000)	Goods and services	To fund projected overspending	1 000
			Financial Assets and Liabilities	Cater for Write offs	800
Percentage of Programme budget		-2.44%			
Programme 2: Environmental Affairs		(30 898)	Programme 2: Environmental Affairs		2 968
Goods and services	New furniture, printing machines and computers were needed for secretaries and certain offices. The savings were identified to pay for the fire law suit against the department	(173)	Machinery and Equipment	New furniture, printing machines and computers were needed for secretaries and certain offices	2 673
Goods and services	To fund Transfers to Households	(25)	Transfers and Subsidies: Provincial Departments and Municipalities	Increase on transfers to households	225
Goods and services	Funds were shifted to relieve pressures within the department	(1000)	Financial Assets and Liabilities	Cater for write offs	70
Building and Other Fixed structure	Funds were shifted to relieve pressures within the department	(29 700)			
Percentage of Programme budget		-17.67%			
Programme 3: Economic Development		(475)	Programme 3: Economic Development		21 324
Goods and services	New furniture, printing machines and computers were needed for secretaries and certain offices	(110)	Machinery and Equipment	New furniture, printing machines and computers were needed for secretaries and certain offices	679
Goods and services	Increase on transfers to households	(365)	Compensation of Employees	To fund the shortfall on Small Business Development	3 000
			Households	Increase on transfers to households	365
			Goods and services	Development of Economic Strategy	2 000
			Goods and services	To fund MESP programmes and Industrialization	3 931
			Transfers and Subsidies	To fund MESP programmes	11 319
			Financial Assets and Liabilities	cater for Write offs	30
Percentage of Programme budget		-0.49%			
Programme 4: Tourism		(400)	Programme 4: Tourism		7 631
Goods and services	Increase on transfers to households	(400)	Households	Increase on transfers to households	450
			Goods and services	Funding for Macufe Tourism Activities	1 881
			Transfers and subsidies	Power Boat	5 000
			Transfers and subsidies	Bethlehem Air Show	300
Percentage of Programme budget		-0.83%			
Grand total		(34 801)			34 801

## **Virements and Shifts**

### **Programme 1: Administration**

#### **Goods and Services**

- An amount of R0.838 million was shifted from Goods and services to procure new furniture, printing machines and computers for new appointees.
- An amount of R2 million was shifted from Goods and Services in Programme 1 (Administration) to Programme 3 (Economic Development for Business Re-engineering).
- An amount of R0.190 million was shifted from Goods and Services to cater for Transfers to Households in relation to leave gratuities and injuries on duty.

#### **Machinery and Equipment**

- An amount of R0.838 million was shifted to Machinery and Equipment to procure new furniture, printing machines and computers for new appointees.

#### **Financial Assets and Liabilities**

- An amount of R0.800 million is shifted to Financial Assets and Liabilities to cater for the write off of thefts and losses in the department.

### **Programme 2: Environmental Affairs**

#### **Goods and Services**

- An amount of R0.173 million was shifted from Goods and services to procure new furniture, printing machines and computers for new appointees.
- R0.025 million was shifted to increase Transfers to Households in relation to leave gratuities and injuries on duty.
- R1 million was shifted from Infrastructure Enhancement to cater for pressures in Goods and Services

#### **Machinery and Equipment**

- An amount of R0.173 million was shifted to Machinery and Equipment to procure new furniture, printing machines and computers for new appointees.

#### **Building and Other Fixed structure**

An amount of R30.700 million was reprioritized within the department to fund budgetary pressures.

**Programme 3: Economic Development****Goods and Services**

- An amount of R0.110 million was shifted from Goods and services to procure new furniture, printing machines and computers for new appointees.
- R0.365 million was shifted to increase Transfers to Households in relation to leave gratuities and injuries on duty.
- An amount of R2 million was shifted from Programme 1 (Administration) to Programme 3 (Economic Development) for Business Re-engineering.

**Machinery and Equipment**

- An amount of R0.679 million was shifted to Machinery and Equipment to procure new furniture, printing machines and computers for new appointees.

**Programme 4: Tourism****Goods and Services**

- R0.400 million was shifted to increase Transfers to Households in relation to leave gratuities and injuries on duty.
- Budget allocation of R1.881million was shifted to fund tourism related activities during MACUFE.

**Transfers and Subsidies**

- R5.000 million is shifted to transfers to the Free State Tourism Authority for the International Power Boat championships and R0.300 million for the Bethlehem Air Show

**Other adjustments – R1.232 million****Adjustment due to significant and unforeseeable economic and financial events**

**R1.500 million** is allocated to the Free State Tourism Authority as additional funding for the operational costs of Phakisa.

**Funds shifted between votes following a transfer of function**

6 officials were transferred from Xhariep State Fish Hatchery to the Department of Agriculture and Rural Development at a cost of **R3.475 million** from November 2014 to March 2015.

**Gifts, donations and sponsorships**

The Department receives the following additional funding from external sources

1. CATHSSETA: funding for the implementation of Skills Programme for SMMEs and Cooperatives. **R9.829 million**
2. CATHSSETA: Nature Conservation Resource Guardianship Learnership : **R0.378 million**
3. EPWP: Free State Priority Biodiversity Rehabilitation Project (FSPBR): This amount will not be appropriated as was explained in the note under Programme 2: **R4.6 million**

## Declared unspent

The Department will surrender R7.000 million from its Infrastructure Enhancement allocation back to the Provincial Revenue fund in order to fund other provincial pressures.

## Expenditure 2013/14 and preliminary expenditure 2014/15

Table 3.3 Expenditure trends

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % adjusted appropriation	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 14 - Sep 14 % of adjusted appropriation
Programme 1: Administration	125 576	56 888	45.30%	127 005	101.14%	124 005	60 853	49.07%
Programme 2: Environmental Affairs	150 445	73 828	49.07%	136 426	90.68%	139 844	60 254	43.09%
Programme 3: Economic Development	116 625	42 805	36.70%	117 784	100.99%	130 054	41 607	31.99%
Programme 4: Tourism	50 744	24 932	49.13%	51 139	100.78%	57 071	32 720	57.33%
<b>Subtotal</b>	<b>443 390</b>	<b>198 453</b>	<b>44.76%</b>	<b>432 354</b>	<b>97.51%</b>	<b>450 974</b>	<b>195 434</b>	<b>43.34%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>443 390</b>	<b>198 453</b>	<b>44.76%</b>	<b>432 354</b>	<b>97.51%</b>	<b>450 974</b>	<b>195 434</b>	<b>43.34%</b>
<b>Current payments</b>	<b>274 657</b>	<b>128 789</b>	<b>46.89%</b>	<b>270 166</b>	<b>98.36%</b>	<b>298 800</b>	<b>140 065</b>	<b>46.88%</b>
Compensation of employees	187 695	90 161	48.04%	179 251	95.50%	193 819	96 751	49.92%
Goods and services	86 962	38 628	44.42%	90 915	104.55%	104 981	43 314	41.26%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>136 329</b>	<b>57 142</b>	<b>41.91%</b>	<b>137 361</b>	<b>100.76%</b>	<b>125 103</b>	<b>52 706</b>	<b>42.13%</b>
Provinces and municipalities	3 239	3 009	92.90%					
Departmental agencies and accounts								
Free State Gambling and Liquor Board	51 309	22 062	43.00%	51 309	100.00%	50 870	23 076	45.36%
Free State Tourism Authority	41 864	21 454	51.25%	41 864	100.00%	46 664	28 805	61.73%
TV licenses(SABC)	109			38		174	40	22.99%
Universities and technikons								
University of The Free State								
Public corporations & private enterprises				20 522				
Free state Development Corporation	22 545	10 000	44.36%	22 245	98.67%	1 200		
Other transfers to private enterprises						24 915		
Non-profit institutions								
Households	17 263	617	3.57%	1 383	8.01%	1 280	785	61.33%
<b>Payments for capital assets</b>	<b>32 404</b>	<b>12 522</b>	<b>38.64%</b>	<b>24 539</b>	<b>75.73%</b>	<b>26 171</b>	<b>2 631</b>	<b>10.05%</b>
Buildings and other fixed structures	30 185	12 242	40.56%	21 242	70.37%	18 239	1 676	9.19%
Machinery and equipment	2 219	280	12.62%	3 297	148.58%	7 932	955	12.04%
Specialised military assets								
Biological Assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
<b>Payments for financial assets</b>				288		900	32	
<b>Total</b>	<b>443 390</b>	<b>198 453</b>	<b>44.76%</b>	<b>432 354</b>	<b>97.51%</b>	<b>450 974</b>	<b>195 434</b>	<b>43.34%</b>

**Main expenditure trends for the first half of the 2014/15 financial year**

Expenditure in the first six months of 2013/14 amounted to R198.453 million or 44.76 percent of the budget. For 2014/15 spending was R195.434 million or 43.34 percent of the budget, this is mainly due to slow spending on infrastructure projects and payments still to be made to MESP beneficiaries.

**Programme: 1: Administration**

The Expenditure on Administration is at 49 percent in the first six months of 2014/15 as compared to 45 percent in the previous financial year. This is due to more posts filled in 2014/15 financial year.

**Programme: 2: Environmental Affairs**

The expenditure on Environmental Affairs is standing at 43.09 percent for 2014/15 compared to 49 percent in the previous financial year. The decline on spending is mainly due slow spending on infrastructure projects which is currently standing at 9.19 percent.

**Programme: 3 Economic Development**

Economic Development has spent 31.99 percent of the budget this year, compared to 36.7 percent last financial year. The slow spending is due to funds not yet transferred to MESP beneficiaries

**Programme4: Tourism**

The 57.33 percent spending in 2014/15 is due to Tourism month activities that take place in September month.

**Compensation of Employees**

The department has spent 49.92 percent in the first six months, this will increase as most of the senior posts were filled in August 2014.

**Goods and Services**

The department has initiated a grant funding to SMME's, most of the grants will be issued in the third quarter. Though spending percentage of 41 percent might seem low, this amount will increase with the establishment of Small Business Unit.

**Transfers and Subsidies**

- Free State Gambling and Liquor Board: 45.36 percent of the budget has been transferred. The transfers are made once per quarter
- Free State Tourism Authority: 61.73 percent of the budget has been transferred to fund Tourism Month which takes place in September of every year
- Free State Development Corporation: No funds were transferred as yet to FDC due to compliance issues.

### Building and other Fixed Structures

Expenditure in this area is delayed by the Department of Public Works and Infrastructure, which is the implementing agent for the department. The budget for 2014/15 first six months is standing at 9.19 percent. The budget on this item has been reprioritized to fund other pressures within the department.

### Machinery and Equipment

Expenditure is standing at 12.04 percent for the current financial year. This will improve once furniture and other office equipment is procured for the new appointments in the department.

## Departmental receipts

Table 3.4 Revenue trends

R thousand	2013/14					2014/15			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2013 - Sep 2013 %		Apr 2013 - Mar 2014 %		Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014 % of adjusted estimate	
		Apr 2013 - Sep 2013	adjusted appropriation	Apr 2013 - Mar 2014	adjusted estimate			Apr 2014 - Sep 2014	adjusted estimate
Departmental receipts	71 853	38 477	53.55%	72 453	100.84%	75 877	82 666	44 971	54.40%
Tax receipts	48 284	22 326	46.24%	50 428	104.44%	50 987	52 611	24 243	46.08%
Sales of goods and services other than capital receipts	11 664	4 738	40.62%	9 958	85.37%	12 553	12 849	5 803	45.16%
Transfers received									
Fines, penalties and forfeits	221	130	58.82%	150	67.87%	233	814	663	81.45%
Interest, dividends and rent on land	307	5	1.63%	418	136.16%	261	604	452	74.83%
Sales of capital assets	11 012	11 007	99.95%	11 012	100.00%	11 457	13 441	13 463	100.16%
Financial transactions in assets and liabilities	365	271	74.25%	487	133.42%	386	2 347	347	14.78%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>71 853</b>	<b>38 477</b>	<b>53.55%</b>	<b>72 453</b>	<b>100.84%</b>	<b>75 877</b>	<b>82 666</b>	<b>44 971</b>	<b>54.40%</b>

### Main departmental revenue trends for the first half of 2014/15

Accrued revenue for casino taxes resulted in less than expected collection (target is 50 percent when using a straight line budget method). Liquor license revenue will only improve during the annual license renewal season, which is normally between November & January of every year. Most of the revenue received for the period 1 April – 30 September 2014 is for the application of new liquor licenses.

Revenue from the sale of goods and services did not meet expectations due to the low collection from fishing licenses, entrance & camping fees. These items generate revenue during particular seasons (they are dependent on warm weather) and will improve in summer. No revenue could be collected from Maria Moroka resort due to delays in completion of this project.

The continued non-payment of monthly rent (R0.250 million) by the company that has been contracted to manage Phillip Saunders Resort also resulted in under-collection because only R0.200 million was received from the expected R1, 5 million for the first half of the current financial year.

The overall revenue collection increased due to the following:

- The Department had a successful game auction (annual event) from which R13,4 million was raised
- Successful prosecution of organisations and individuals who did not follow the National Environmental Management Act, Section 24G, regarding environmental authorisations
- Recovery of long term staff debts from performance incentives, thereby reducing the recovery periods.

## Changes to transfers and subsidies, including conditional grants

Table 3.5: Summary of changes to transfers and subsidies per programme

		2014/15					
R thousand	Main appropriation	Adjustment appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments	
Programme 1: Administration	4			240			244
Departmental agencies and accounts							
Provinces and Municipalities							
TV Licenses (SABC)	4						4
Households				240		240	240
Programme 2: Environmental Affairs	170			225			395
Departmental agencies and accounts							
Provinces and Municipalities							
TV Licenses (SABC)	170						170
Households				225		225	225
	63 047	2 619		11 684		14 303	77 350
Programme 3: Economic Development							
Departmental Agencies and Accounts							
Free State Gambling and Racing Authority	48 251	2 619				2 619	50 870
Public corporations and private enterprises	13 596			11 319		11 319	24 915
Free State Development Corporation	1 200						1 200
Households				365		365	365
	39 864			5 750		1 500	47 114
Programme 4: Tourism							
Departmental Agencies and Accounts							
Free State Tourism Authority	39 864			5 300		1 500	46 664
Households				450		450	450
<b>Total transfers and subsidies</b>	<b>103 085</b>	<b>2 619</b>		<b>17 899</b>		<b>1 500</b>	<b>125 103</b>

Table 3.6: Summary of changes to conditional grants :Provinces

		2014/15					
R thousand	Main appropriation	Adjustment appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Programme 2: Environmental Affairs	2 102						2 102
EPWP	2 102						2 102
<b>Total conditional grant: Province</b>	<b>2 102</b>						<b>2 102</b>



## Revised Infrastructure project list

Table 3.7 Revised Infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Enviro	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
1. New and replacement assets (R thousand)																
1	Soetdoring NIR-Rebuild Environmental Hall	Mangaung	Motheo	Infrastructure Enhancement Allocation	Rest Camp		2	2014/04	8 000					(5 000)	Yes	Yes
2	Soetdoring NIR chalets	Mangaung	Motheo	Infrastructure Enhancement Allocation			2		30 000	6 676				(10 000)		
3	Maria Moroka-Office Copmplex	Mangaung	Motheo	Infrastructure Enhancement Allocation	Water Line		2	2014/04	25 000					(700)		Yes
4	Karee Nursery- New Office	Mangaung	Motheo	Infrastructure Enhancement Allocation			2	2014/04	25 000	500				(500)		
5	Maria Moroka Reast camp and chalets	Mangaung	Motheo	Infrastructure Enhancement Allocation			2	2014/04	33 500	11 550			1 195			
6	Naval Hill Planetarium	Mangaung	Motheo	Infrastructure Enhancement Allocation	Constr of env hall		2	2014/04	5 000					(5 000)		
7	Wilem Pretorius-Construction of Abattoir	Matlabeng					2	2014/04		340				(1 000)		
													1 195	(22 200)		
Total New replacement assets																
2. Maintenance and repairs (R thousand)																
1	All reserves and resorts	All	All	Infrastructure Enhancement Allocation	Maintenance		2							(1 000)		
														(1 000)		
Total Maintenance and repairs																
3. Upgrades and additions (R thousand)																
1	Maria Moroka Fencing	Xhariep	Xhariep	Infrastructure Enhancement Allocation	Buy Land at Gariep and Tussen Die Riviere	2006/04	2015/04	2014/04	150 000	6 800			885	No	Yes	
2	Gariep Complex	All		Infrastructure Enhancement Allocation	Upgrade of fences for all resorts and reserves	2014/04		2014/04	11 457	6 959			959	(1 000)	Yes	
3	Upgrade of fences for all resorts and reserves	Kopanong					2	2014/04	4 500	1 500				(1 000)		
4	Tussen Die Riviere- Abattoir						2						1 844	(14 500)		
Total Upgrades and additions																
4. Rehabilitation, renovations and refurbishments (R thousand)																
1	Total rehabilitation, renovations and refurbishments												3 039	(37 700)		

The table below illustrates the summary of infrastructure adjustment according to infrastructure categories.

**Table 3.8: Summary of Adjusted Infrastructure Appropriated**

Infrastructure	Main Appropriation 2014/15	Increase/ Decrease	Adjusted Appropriation 2014/15
<b>New infrastructure assets</b>	25 400	(21 005)	4 395
<b>Existing infrastructure assets</b>	<b>28 619</b>	<b>(13 656)</b>	<b>14 963</b>
Maintenance and repair	2 119	(1 000)	1 119
Upgrading and additions	26 500	(12 656)	13 844
Rehabilitation and refurbishment			
Maintenance and repair			
<b>Infrastructure transfers</b>			
Current			
Capital			
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Total Infrastructure</b>	<b>54 019</b>	<b>(34 661)</b>	<b>19 358</b>

**VOTE 4**

**DEPARTMENT OF TREASURY**

## Vote 4

## Department of Provincial Treasury

## Adjusted budget summary

R thousand	2014/15			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>226 740</b>	<b>245 235</b>	<b>(3 368)</b>	<b>21 863</b>
<i>of which:</i>				
Current payments	224 392	241 442	(3 368)	20 418
Transfers and subsidies	332	540		208
Payments for capital assets	2 016	3 253		1 237
Payments for financial assets				
<b>Revenue Fund</b>	<b>226 740</b>	<b>245 235</b>	<b>(3 368)</b>	<b>21 863</b>
<b>Executive Authority</b>	<b>MEC for Finance</b>			
<b>Accounting Officer</b>	<b>Chief Executive Officer</b>			
<b>Website address</b>	<a href="http://www.treasury.fs.gov.za">www.treasury.fs.gov.za</a>			

## Aim

Provincial Treasury derives its mandate, core functions and responsibilities from the Public Finance Management Act, (Act 1 of 1999), as amended and Municipal Finance Management Act (Act 56 of 2003).

## Changes to programme purposes, objectives and measures

Free State Provincial Treasury will not change any of the purposes, objectives and measures during the 2014/15 financial year. All programmes remain as tabled in the APP.

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2014

Table 4.1: Adjusted Estimates

R thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Administration	87 929			2 036	(1 500)	5 000	93 465
2. Sustainable Resource Management	29 061			(1 999)			27 062
3. Asset & Liability Management	61 402			2 168		14 995	78 565
4. Financial Governance	48 348			(2 205)			46 143
<b>Subtotal</b>	<b>226 740</b>				<b>(1 500)</b>	<b>19 995</b>	<b>245 235</b>

## Economic classification

Table 4.1(b): Adjusted Estimates per economic classification

Programme	2014/15							
	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments			
R'thousand								
Economic classification								
Current payments	224 392			(1 445)	(1 500)	19 995	17 050	241 442
Compensation of employees	167 365			(3 368)			(3 368)	163 997
Goods and Services	57 027			1 923	(1 500)	19 995	20 418	77 445
Interest and rent on land								
Transfers and subsidies to;	332			208			208	540
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	332			208			208	540
Payments for capital assets	2 016			1 237			1 237	3 253
Buildings and other fixed structures								
Machinery and equipment	2 016			1 237			1 237	3 253
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total	226 740				(1 500)	19 995	18 495	245 235

**Programme 1 : Administration****Table 4.1.1: Adjusted Estimates**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	
Office of the MEC	6 528			(93)			(93)	6 435
Management Services	7 571			1 119	(1 500)	5 000	4 619	12 190
Corporate Services	33 698			(1 001)			(1 001)	32 697
Financial Management (Office of the CFO)	35 080			2 301			2 301	37 381
Internal Audit (Departmental)	5 052			(290)			(290)	4 762
<b>Total</b>	<b>87 929</b>			<b>2 036</b>		<b>5 000</b>	<b>5 536</b>	<b>93 465</b>
<b>Economic classification</b>								
<b>Current payments</b>	85 605			1 360		5 000	4 860	90 465
Compensation of employees	60363			(79)			(79)	60 284
Goods and Services	25242			1439	(1 500)	5000	4 939	30 181
Interest and rent on land								
<b>Transfers and subsidies to;</b>	332			(41)			(41)	291
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	332			(41)			(41)	291
<b>Payments for capital assets</b>	1 992			717			717	2 709
Buildings and other fixed structures								
Machinery and equipment	1992			717			717	2 709
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>87 929</b>			<b>2 036</b>		<b>5 000</b>	<b>5 536</b>	<b>93 465</b>

## Programme 2 : Sustainable Resource Management

Table 4.1.2 : Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1.Programme Support	1 492			(751)			(751)	741
2.Economic Analysis	6 780			(447)			(447)	6 333
3.Fiscal Policy	6 424			(961)			(961)	5 463
4.Budget Management	9 682			254			254	9 936
5.Public Finance	4 683			(94)			(94)	4 589
<b>Total</b>	<b>29 061</b>			<b>(1 999)</b>			<b>(1 999)</b>	<b>27 062</b>
<b>Economic classification</b>								
<b>Current payments</b>	29 061			(2 104)			(2 104)	26 957
Compensation of employees	26 075			(1 656)			(1 656)	24 419
Goods and Services	2 986			(448)			(448)	2 538
Interest and rent on land								
<b>Transfers and subsidies to;</b>				53			53	53
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households				53			53	53
<b>Payments for capital assets</b>				52			52	52
Buildings and other fixed structures								
Machinery and equipment				52			52	52
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>29 061</b>			<b>(1 999)</b>			<b>(1 999)</b>	<b>27 062</b>

**Programme 3 : Asset & Liability Management****Table 4.1.3: Adjusted Estimates**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1.Programme Support	1 517			948			948	2 465
2.Asset Management	20 633			1 498		14 995	16 493	37 126
3.Supporting and Interlinked Financial Systems	39 252			(278)			(278)	38 974
<b>Total</b>	<b>61 402</b>			<b>2 168</b>		<b>14 995</b>	<b>17 163</b>	<b>78 565</b>
<b>Economic classification</b>								
<b>Current payments</b>	61 402			1 930		14 995	16 925	78 327
Compensation of employees	37 226			590			590	37 816
Goods and Services	24 176			1 340		14 995	16 335	40 511
Interest and rent on land								
<b>Transfers and subsidies to;</b>								
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>				238			238	238
Buildings and other fixed structures								
Machinery and equipment				238			238	238
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>61 402</b>			<b>2 168</b>		<b>14 995</b>	<b>17 163</b>	<b>78 565</b>



## Programme 4: Financial Governance

Table 4.1.4: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1.Programme Support	1 993			136			136	2 129
2.Accounting Services	9 896			(1 804)			(1 804)	8 092
3.Norms and Standards	27 689			(1 125)			(1 125)	26 564
4.Risk Management and Internal Audit Provincial	8 770			588			588	9 358
<b>Total</b>	<b>48 348</b>			<b>(2 205)</b>			<b>(2 205)</b>	<b>46 143</b>
<b>Economic classification</b>								
<b>Current payments</b>	48 324			(2 631)			(2 631)	45 693
Compensation of employees	43 701			(2 223)			(2 223)	41 478
Goods and Services	4 623			(408)			(408)	4 215
Interest and rent on land								
<b>Transfers and subsidies to;</b>				196			196	196
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households				196			196	196
<b>Payments for capital assets</b>	24			230			230	254
Buildings and other fixed structures								
Machinery and equipment	24			230			230	254
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>48 348</b>			<b>(2 205)</b>			<b>(2 205)</b>	<b>46 143</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014****Roll-overs – [none]****Unforeseeable and unavoidable expenditure – [none]****Virements and shifts****Table 4.2: Details on virements and shifts within a department**

<b>Programmes Summary</b>					
1.Administration		(120)	1.Administration		2 156
2.Sustainable Resource Management		(2 104)	2.Sustainable Resource Management		105
3.Asset and Liabilities Management			3.Asset and Liabilities Management		2 168
4.Financial Governance		(2 631)	4.Financial Governance		426
<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>(120)</b>	<b>Programme 1</b>		<b>120</b>
<b>Compensation of employees</b>	savings for 18 vacancies within Prog 1	(79)	<b>Goods and services</b>	shifting to various items of pressures	79
<b>Programme 1</b>		<b>(41)</b>	<b>Programme 2</b>		<b>41</b>
<b>Transfers</b>	Act of grace payment	(41)	<b>Transfers</b>	Act of grace payment	41
<b>Percentage of programme budget</b>		<b>1%</b>			
<b>Programme 2</b>		<b>(1 656)</b>	<b>Programme 1</b>		<b>1 656</b>
<b>Compensation of employees</b>	savings for 6 vacancies within Prog 2	(1 656)	<b>Goods and services</b>	shifting to various items of pressures	1 360
			<b>Capital Expenditure</b>	Laptops and Computers - newly appointed officials	296
<b>Programme 2</b>		<b>(448)</b>	<b>Programme 2</b>		<b>448</b>
<b>Goods &amp; Services</b>	shifting from various items	(448)	<b>Capital Expenditure</b>	Shifting of funds for IPAD	52
			<b>Transfers</b>	Leave gratuity	12
			<b>Programme 1</b>		<b>384</b>
			<b>Capital Expenditure</b>	shifting to various items of pressures	384
<b>Programme 4</b>		<b>(2 223)</b>	<b>Programme 3</b>		<b>2 168</b>
<b>Compensation of employees</b>	savings for vacancies within Prog 4	(2 223)	<b>Compensation of employees</b>	Acting Allowance	590
			<b>Goods and services</b>	Review service to Dept Health	1 340
			<b>Programme 3</b>		<b>238</b>
			<b>Capital Expenditure</b>	Laptops and Computers - newly appointed officials	238
			<b>Programme 4</b>		<b>163</b>
			<b>Capital Expenditure</b>	Laptops and Computers - newly appointed officials	163
<b>Programme 4</b>		<b>(408)</b>	<b>Programme 4</b>		<b>263</b>
<b>Goods &amp; Services</b>	shifting from various items	(408)	<b>Capital Expenditure</b>	Computer Equipment	67
			<b>Transfer</b>	Leave gratuity	196
			<b>Programme 1</b>		<b>37</b>
			<b>Capital Expenditure</b>	Laptops and Computers - newly appointed officials	37
<b>Percentage of programme budget</b>					
<b>Total</b>		<b>(4 855)</b>			<b>4 855</b>

**Other adjustments – R19.995 million**

An additional funding of R19.995 million has been allocated to cover costs related to Public Service information platform payments, Supplier database, Support Programme (SP). Adjustments due to significant and unforeseeable economic and financial events

**Use of funds in emergency situations in terms of section 16 of the PFMA**

None

**Self-financing expenditure**

None

**Funds shifted between votes following a transfer of function**

None

**Funds shifted within a vote to follow a functions shift within the same vote**

None

**Declared unspent**

An amount of R1.5 million was declared unspent in Programme one. The funds were reprioritized to alleviate other pressures within the department.

**Amounts forming a direct charge against the Provincial Revenue Fund – (R00.000 million)****Donor funding – R1.2 million**

A donation amounting to R1, 2 million will be allocated within Financial Governance through the TMS project funded by the FICA for payment of the Public Finance Management technical expert and related cost, subject to the following: The total amount of R1, 2 million will be transferred in two tranches: R600 000 will be transferred before 30 April 2014 and the balance thereof before 30 October 2014.

**Expenditure 2013/14 and preliminary expenditure 2014/15****Table 4.3 Expenditure trends**

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013		Apr 2013 - Mar 2014		Adjusted appropriation	Apr 2014 - Sep 2014	
			adjusted appropriation		adjusted appropriation		% of adjusted appropriation	
1. Administration	92 088	43 819	47.58%	90 185	98%	93 465	40 890	44%
2.Sustainable Resource Management	26 349	12 014	45.60%	26 264	100%	27 062	11 907	44%
3.Asset & Liability Management	61 369	28 009	45.64%	61 362	100%	78 565	32 997	42%
4.Financial Governance	39 830	19 434	48.79%	38 556	97%	46 143	20 592	45%
<b>Subtotal</b>	<b>219 636</b>	<b>103 276</b>	<b>47.02%</b>	<b>216 367</b>	<b>98.51%</b>	<b>245 235</b>	<b>106 386</b>	<b>43.38%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>219 636</b>	<b>103 276</b>	<b>47.02%</b>	<b>216 367</b>	<b>98.51%</b>	<b>245 235</b>	<b>106 386</b>	<b>43.38%</b>
<b>Current payments</b>	<b>212 332</b>	<b>98 823</b>	<b>46.54%</b>	<b>209 117</b>	<b>98.49%</b>	<b>241 442</b>	<b>104 508</b>	<b>43.28%</b>
Compensation of employees	145 513	74 092	50.92%	145 101	99.72%	163 997	77 110	47.02%
Goods and services	66 819	24 731	37.01%	64 016	95.81%	77 445	27 398	35.38%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>3 512</b>	<b>2 952</b>	<b>84.05%</b>	<b>3 400</b>	<b>96.81%</b>	<b>540</b>	<b>394</b>	<b>72.96%</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises	2	1	50.00%					100.00%
Non-profit institutions								
Households	3 510	2 951	84.07%	3 400	96.87%	540	394	72.96%
<b>Payments for capital assets</b>	<b>3 792</b>	<b>1 501</b>	<b>40%</b>	<b>3 702</b>	<b>97.63%</b>	<b>3 253</b>	<b>1 484</b>	<b>45.62%</b>
Buildings and other fixed structures								
Machinery and equipment	3 792	1 501	39.58%	3 702		3 253	1 484	45.62%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
<b>Payments for financial assets</b>				<b>148</b>				
<b>Total</b>	<b>219 636</b>	<b>103 276</b>	<b>47.02%</b>	<b>216 367</b>	<b>98.51%</b>	<b>245 235</b>	<b>106 386</b>	<b>43.38%</b>

**Main expenditure trends for the first half of the 2014/15 financial year**

Expenditure in the first six months of 2014/15 amounted to R106.386 million or 43.38 percent of the adjusted appropriation of R226.740 million.

The main decreases related to slow filling of vacancies, increases related to Payment towards project taken from Department of Premier delayed and only paid in October 2014. Additional interns, cash bonus payouts; additional funding needed for consumables supplies, training and development of employees advert marketing. Operating lease and fleet services kilometre under SCM both need additional funding. Chief Compensation Specialist was appointed from 1 September 2014, no provision was made for his salary, as well as departmental Claim for the SEM: Assets and Liability Management and the PA salary was paid in September 2014. Indication was given from Supporting and Interlinked Financial Systems that additional funds will be needed for the SITA account and invoices are not received every month (SITA is the biggest cost driver in sub directorate).

Expenditure trends in terms of economic classification:

- **Current Payments**

Decrease due to slow filling of vacancies

Increases related to Payment towards project taken from Department of Premier delayed and only paid in October 2014. Additional interns, cash bonus pay outs; additional funding needed for consumables supplies, training and development of employees advert marketing. Operating lease and fleet services kilometre under SCM both need additional funding. Chief Compensation Specialist was appointed from 1 Sept 2014, no provision was made for his salary, as well as departmental claim for the SEM: Assets and Liability Management and PA salary was paid in September 2014. Additional funds will be needed for the SITA account and all invoices not received every month, biggest cost driver in sub directorate.

- **Transfers and subsidies**

Leave gratuity paid to retired official in Municipal Finance Management

- **Payments for capital assets**

Additional funds for finance leases, computer laptop and desktops for newly appointed SMS members in Programme 1 and 3.

## Departmental receipts

Table 4.4 Expenditure trends

R thousand	2013/14					2014/15			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013- Mar 2014 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2015	Apr 2014 - Sep 2015 % of adjusted estimate
Departmental receipts	30 975	13 512	43.62%	41 483	133.92%	32 681	42 481	28 609	67.35%
Tax receipts									
Sales of goods and services other than	128	88	68.75%	208	162.50%	128	128	67	52.34%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	30 462	13 315	43.71%	41 093	134.90%	32 168	42 168	28 423	67.40%
Sales of capital assets									
Financial transactions in assets and liabilities	385	109	28.31%	182	47.27%	385	185	119	64.32%
Provincial Revenue Fund receipts (non-departmental receipts)	30 975	13 512	43.62%	41 483	133.92%	32 681	42 481	28 609	67.35%
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>30 975</b>	<b>13 512</b>	<b>43.62%</b>	<b>41 483</b>	<b>133.92%</b>	<b>32 681</b>	<b>42 481</b>	<b>28 609</b>	<b>67.35%</b>

### Main departmental revenue trends for the first half of 2014/15

The Free State Provincial Treasury is the custodian for investments in the province and generates income by means of investing allocated funding available in the revenue fund. Due to improved spending of the provincial departments in the last few years the interest generated decreased, but with the implementation of cost containment measures and closely monitoring of the spending within departments the interest to be generated was increased again.

The department only generate small income with the selling of scrap paper or assets owned by the department.

## Changes to transfers and subsidies, including conditional grants

Table 4.5: Summary of changes to transfers and subsidies per programme

2014/15								
R thousand	Main appropriation	Adjustment appropriation					Total adjustments appropriatio	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Devclared unspent	Other adjustments		
1. Programme 1. Administration	332			(41)			(41)	291
Transfers & Subsidies								
H/H EMPL S/BEN:LEAVE GRATUITY	332			(41)			(41)	291
								332
2. Programme 2. Sustainable Resource				53			53	53
Transfers & Subsidies								
H/H EMPL S/BEN:LEAVE GRATUITY				53			53	53
2. Programme 4. Financial Governance				196			196	196
Transfers & Subsidies								
H/H EMPL S/BEN:LEAVE GRATUITY				196			196	196
Total transfers and subsidies	332			208			208	540

## Changes to Revenue Enhancement Allocation, including Earmarked funds

Table 4.6: Summary of changes Provincial Earmarked funds per programme

		2014/15						
		Adjustment appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Devclared unspent	Other adjustments	Total adjustments appropriation	Adjusted appropriation
1. Programme 1: Administration	2 000				(1 500)		(1 500)	500
Economic sphere								
Current								
Goods & Services	2 000				(1 500)		(1 500)	500
Total Provincial Earmarked funds	2 000				(1 500)		(1 500)	500

## Revised Infrastructure project list

Not applicable to Department of Free State Treasury

**VOTE 5**

**DEPARTMENT OF HEALTH**

## Vote 5

## Department of Health

## Adjusted budget summary

2014/15				
R thousand	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>8 155 342</b>	<b>8 329 177</b>	<b>( 20 737)</b>	<b>194 572</b>
<i>of which:</i>				
Current payments	7 544 440	7 523 703	( 20 737)	
Transfers and subsidies	42 062	108 262		66 200
Payments for capital assets	568 840	697 212		128 372
Payments for financial assets				
<b>Direct charge against the Provincial Revenue Fund</b>	<b>8 155 342</b>	<b>8 329 177</b>	<b>( 20 737)</b>	<b>194 572</b>
<b>Executive Authority</b>	<b>MEC: Health</b>			
<b>Accounting Officer</b>	<b>HOD: Health</b>			
<b>Website address</b>	<a href="http://www.fshealth.gov.za">www.fshealth.gov.za</a>			

## Aim

The aim of the Department of Health is to provide comprehensive health services, which include the prevention of diseases, promotion of health, curative and rehabilitation services in terms of applicable Legislation.

## Changes to programme purposes, objectives and measures

Provincial Department of Health has not experience or changed any indicators during the 2014/2015 financial year.



## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2014

Table 5.1(a): Adjusted Estimates

Programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared unspent	
1.Administration	247 189	1 000		8 500			9 500
2.District Health Services	3 354 835	5 050		49 309	11 113		65 472
3.Emergency Medical Services	470 985						470 985
4.Provincial Hospital Services	1 194 401			7 692	2 464		10 156
5.Central Hospital Services	2 079 749			( 57 001)	14 937		( 42 064)
6.Health Science and Training	159 837				3 296		3 296
7.Health Care Support Services	138 398						
8.Heath Facilities Management	509 948	136 489		( 8 500)	18 000	( 18 514)	127 475
Less: Internal Charges	-						
<b>Subtotal</b>	<b>8 155 342</b>	<b>142 539</b>			<b>49 810</b>	<b>( 18 514)</b>	<b>173 835</b>
Direct charge against the Provincial Revenue Fund							
Item							
<b>Total</b>	<b>8 155 342</b>	<b>142 539</b>			<b>49 810</b>	<b>( 18 514)</b>	<b>173 835</b>

## Economic classification

Table 5.1(b): Adjusted Estimates by economic classifications

Programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared unspent	
<b>Economic classification</b>							
<b>Current payments</b>	<b>7 544 440</b>	<b>1 000</b>		<b>( 53 547)</b>	<b>31 810</b>		<b>( 20 737)</b>
Compensation of employees	5 762 466			( 429 742)			( 429 742)
Goods and Services	1 781 356	1 000		376 202	31 810		409 012
Interest and rent on land	618			( 7)			( 7)
<b>Transfers and subsidies to;</b>	<b>42 062</b>			<b>66 200</b>			<b>66 200</b>
Provinces and municipalities							
Departmental agencies and account	2 000						2 000
Universities and technikons							
Public corporations and private enterprises	30						30
Foreign governments and international organisations							
Non-profit institutions	9 100			66 000			66 000
Households	30 932			200			200
<b>Payments for capital assets</b>	<b>568 840</b>	<b>141 539</b>		<b>( 12 653)</b>	<b>18 000</b>	<b>( 18 514)</b>	<b>128 372</b>
Buildings and other fixed structures	449 358	25 994		( 67 799)			( 41 805)
Machinery and equipment	119 482	115 545		55 146	18 000	( 18 514)	170 177
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
<i>Of which: Capitalised goods and services</i>							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>8 155 342</b>	<b>142 539</b>			<b>49 810</b>	<b>( 18 514)</b>	<b>173 835</b>

**Programme 1: Administration****Table 5.1.1: Adjusted Estimates**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared unspent	Total adjustment appropriation	
1.Office of the MEC	10 225			5 011			5 011	15 236
2.Corporate Services	236 964	1 000		3 489			4 489	241 453
<b>Subtotal</b>	<b>247 189</b>	<b>1 000</b>		<b>8 500</b>			<b>9 500</b>	<b>256 689</b>
<b>Economic classification</b>								
<b>Current payments</b>	235 301	1 000		9 753			10 753	246 054
Compensation of employees	187 909			1 000			1 000	188 909
Goods and Services	47 256	1 000		8 753			9 753	57 009
Interest and rent on land	136							136
<b>Transfers and subsidies to;</b>	3 447							3 447
Provinces and municipalities								-
Departmental agencies and account								-
Universities and technikons								-
Public corporations and private enterprises	30							30
Foreign governments and international organisations								-
Non-profit institutions								-
Households	3 417							3 417
<b>Payments for capital assets</b>	8 441			(1 253)			(1 253)	7 188
Buildings and other fixed structures								-
Machinery and equipment	8 441			(1 253)			(1 253)	7 188
Cultivated assets								-
Software and other intangible assets								-
Land and subsoil assets								-
Heritage assets								-
<i>Of which: Capitalised goods and services</i>								-
<b>Payments for financial assets</b>								-
<b>Total</b>	<b>247 189</b>	<b>1 000</b>		<b>8 500</b>			<b>9 500</b>	<b>256 689</b>

## Programme 2: District Health Services

Table 5.1.2: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared Unspent		
1.District Management	129 277			(10 141)			(10 141)	119 136
2.Community Health Clinics	804 799			(41 292)	6 404		(34 888)	769 911
3.Community Health Centre	112 563			(5 027)			(5 027)	107 536
4.Community Based Services	297 766			(34 891)			(34 891)	262 875
5.HIV/Aids	878 783	5 050					5 050	883 833
6.Nutrition	10 863			(9)			(9)	10 854
7.Coroner Services	40 981			(5 028)			(5 028)	35 953
8.District Hospitals	1 079 803			145 697	4 709		150 406	1 230 209
<b>Subtotal</b>	<b>3 354 835</b>	<b>5 050</b>		<b>49 309</b>	<b>11 113</b>		<b>65 472</b>	<b>3 420 307</b>
<b>Economic classification</b>								
<b>Current payments</b>	3 301 678			(13 226)	11 113		(2 113)	3 299 565
Compensation of employees	2 353 178			(135 894)			(135 894)	2 217 284
Goods and Services	948 394			122 678	11 113		133 791	1 082 185
Interest and rent on land	106			(10)			(10)	96
<b>Transfers and subsidies to;</b>	10 591			66 000			66 000	76 591
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	7 236			66 000			66 000	73 236
Households	3 355							3 355
<b>Payments for capital assets</b>	42 566	5 050		(3 465)			1 585	44 151
Buildings and other fixed structures	22 827			(7 000)			(7 000)	15 827
Machinery and equipment	19 739	5 050		3 535			8 585	28 324
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Of which: capitalised goods and services	-							
<b>Payments for financial assets</b>								
<b>Total</b>	<b>3 354 835</b>	<b>5 050</b>		<b>49 309</b>	<b>11 113</b>		<b>65 472</b>	<b>3 420 307</b>

**Programme 3: Emergency Medical Services****Table 5.1.3: Adjusted Estimates**

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared Unspent	
1. Emergency Transport	459 212						459 212
2. Planned Patient Transport	11 773						11 773
<b>Subtotal</b>	<b>470 985</b>						<b>470 985</b>
<b>Economic classification</b>							
<b>Current payments</b>	467 853						467 853
Compensation of employees	365 643						365 643
Goods and Services	101 860						101 860
Interest and rent on land	350						350
<b>Transfers and subsidies to;</b>	32						32
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	32						32
<b>Payments for capital assets</b>	3 100						3 100
Buildings and other fixed structures							
Machinery and equipment	3 100						3 100
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<i>Of which: capitalised goods and services</i>	0						
<b>Payments for financial assets</b>							
<b>Total</b>	<b>470 985</b>						<b>470 985</b>

## Programme 4: Provincial Hospital Services

Table 5.1.4: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared Unspent	Total adjustment appropriation	
1.General Hospital	910 722			20 510	2 464		22 974	933 696
2.Public-Private Partnership								
4.Psychiatric/Mental Hospital	283 679			(12 818)			(12 818)	270 861
<b>Subtotal</b>	<b>1 194 401</b>			<b>7 692</b>	<b>2 464</b>		<b>10 156</b>	<b>1 204 557</b>
<b>Economic classification</b>								
<b>Current payments</b>	1 176 430			11 442	2 464		13 906	1 190 336
Compensation of employees	966 536			(52 377)			(52 377)	914 159
Goods and Services	209 868			63 819	2 464		66 283	276 151
Interest and rent on land	26							26
<b>Transfers and subsidies to;</b>	5 182							5 182
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 864							1 864
Households	3 318							3 318
<b>Payments for capital assets</b>	12 789			(3 750)			(3 750)	9 039
Buildings and other fixed structures								
Machinery and equipment	12 789			(3 750)			(3 750)	9 039
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<i>Of which: capitalised goods and services</i>								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>1 194 401</b>			<b>7 692</b>	<b>2 464</b>		<b>10 156</b>	<b>1 204 557</b>

**Programme 5: Central Hospital Services****Table 5.1.5: Adjusted Estimates**

Table 8.10: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared Unspent	Total adjustment appropriation	
1. Central Hospital Services	1 355 649			( 66 052)	2 242		( 63 810)	1 291 839
2. Public-Private Partnership	25 229			195			195	25 424
3. Provincial Tertiary Hospital Services	698 871			8 856	12 695		21 551	720 422
<b>Subtotal</b>	<b>2 079 749</b>			<b>( 57 001)</b>	<b>14 937</b>		<b>( 42 064)</b>	<b>2 037 685</b>
<b>Economic classification</b>								
<b>Current payments</b>	2 037 398			( 57 001)	14 937		( 42 064)	1 995 334
Compensation of employees	1 650 305			( 242 471)			( 242 471)	1 407 834
Goods and Services	387 093			185 470	14 937		200 407	587 500
Interest and rent on land								
<b>Transfers and subsidies to;</b>	7 351							7 351
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	7 351							7 351
<b>Payments for capital assets</b>	35 000							35 000
Buildings and other fixed structures								
Machinery and equipment	35 000							35 000
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<i>Of which: capitalised goods and services</i>								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>2 079 749</b>			<b>( 57 001)</b>	<b>14 937</b>		<b>( 42 064)</b>	<b>2 037 685</b>

## Programme 6: Health Science and Training

Table 5.1.6: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared Unspent		
1.Nurse Training College	98 522							98 522
2.EMS Training College	18 722							18 722
3.Bursaries								
4.Primary Health Care Training	29 954				3 296		3 296	33 250
5.Training Other	12 639							12 639
<b>Subtotal</b>	<b>159 837</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 296</b>		<b>3 296</b>	<b>163 133</b>
<b>Economic classification</b>								
<b>Current payments</b>	131 778			5 685	3 296		8 981	140 759
Compensation of employees	126 566							126 566
Goods and Services	5 212			5 685	3 296		8 981	14 193
Interest and rent on land								
<b>Transfers and subsidies to;</b>	13 259			200			200	13 459
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	13 259			200			200	13 459
<b>Payments for capital assets</b>	14 800			( 5 885)			( 5 885)	8 915
Buildings and other fixed structures	50							50
Machinery and equipment	14 750			( 5 885)			( 5 885)	8 865
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<i>Of which: capitalised goods and services</i>								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>159 837</b>				<b>3 296</b>		<b>3 296</b>	<b>163 133</b>

**Programme 7: Health Care Support Services****Table 5.1.7: Adjusted Estimates**

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared Unspent	
1.Laundries	118 686						118 686
2.Orthotic and Prosthetic Services	17 712						17 712
3.Medicine (Medpas) Trading Account	2 000						2 000
<b>Subtotal</b>	<b>138 398</b>						<b>138 398</b>
<b>Economic classification</b>							
<b>Current payments</b>	130 948			( 1 700)		( 1 700)	129 248
Compensation of employees	84 403						84 403
Goods and Services	46 545			( 1 703)		( 1 703)	44 842
Interest and rent on land	-			3		3	3
<b>Transfers and subsidies to;</b>	2 200						2 200
Provinces and municipalities							
Departmental agencies and account	2 000						2 000
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	200						200
<b>Payments for capital assets</b>	5 250			1 700		1 700	6 950
Buildings and other fixed structures							
Machinery and equipment	5 250			1 700		1 700	6 950
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<i>Of which: capitalised goods and services</i>							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>138 398</b>						<b>138 398</b>



**Programme 8: Health Facilities Management****Table 5.1.8: Adjusted Estimates**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Declared Unspent	Total adjustment appropriation	
1.Community Health Facilities	137 779	25 359		(42 824)			(17 465)	120 314
2.District Hospital Services	117 491	1 248		(21 452)			(20 204)	97 287
3.Provincial Health Services	254 678	109 882		55 776	18 000	(18 514)	165 144	419 822
<b>Subtotal</b>	<b>509 948</b>	<b>136 489</b>		<b>(8 500)</b>	<b>18 000</b>	<b>(18 514)</b>	<b>127 475</b>	<b>637 423</b>
<b>Economic classification</b>								
<b>Current payments</b>	63 054			(8 500)			(8 500)	54 554
Compensation of employees	27 926							27 926
Goods and Services	35 128			(8 500)			(8 500)	26 628
Interest and rent on land								
<b>Transfers and subsidies to;</b>								
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	446 894	136 489			18 000	(18 514)	135 975	582 869
Buildings and other fixed structures	426 481	25 994		(60 799)			(34 805)	391 676
Machinery and equipment	20 413	110 495		60 799	18 000	(18 514)	170 780	191 193
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<i>Of which: capitalised goods and services</i>								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>509 948</b>	<b>136 489</b>		<b>(8 500)</b>	<b>18 000</b>	<b>(18 514)</b>	<b>127 475</b>	<b>637 423</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014****Conditional Grants Roll-overs – (R141.539 million)****Programme 2: District Health Services – (R5.050 million)**

**R5.050 million** approved roll over for Comprehensive HIV and Aids will be utilized for the Maternal and Neonatal Equipment and Autoclaves for Male Medical Circumcision. This equipment will enhance and improve service delivery on reduction of child mortality and assists in scale-up medial circumcisions as a preventative measure for the HIV/AIDS prevention.

**Programme 8: Health Facilities Management – (R136.489 million)**

**R136.489 million** approved roll over for Hospital Revitalization Grant will be utilized for the finalization of the current running projects e.g. all Modular Clinics, Trompsburg, Dihlabeng (OPD) and Boitumelo Hospital.

**Revenue Enhancement Allocation Roll-overs – (R1.000 million)****Programme 1: Administration – (R1.000 million)**

**R1.000 million** approved roll over for Revenue Enhancement Allocation will be utilized for Revenue Enhancement activities with regards to case managers at Bongani and Pelonomi Hospitals.

## Virements and shifts

Table 5.2: Details on virements and shifts within a department

Programmes Summary					
1.Administration			1.Administration		8,500
2.District Health Services			2.District Health Services		49,309
3.Emergency Medical Services			3.Emergency Medical Services		
4.Provincial Hospital Services			4.Provincial Hospital Services		7,692
5.Central Hospital Services	(57,001)		5.Central Hospital Services		
6.Health Science & Training			6.Health Science & Training		
7.Health Care Support			7.Health Care Support		
8.Health Facilities Management	(8,500)		8.Health Facilities Management		
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1		(1,353)	Programme 1		1,353
Machinery and Equipment	Relieving of budget pressure	(1,353)	Goods and Services	Relieving of budget pressure	1,353
Percentage of programme budget		0.55%			
Programme 2		(143,687)	Programme 2		143,687
Compensation of Employees	Re-allocation of the budget	(69,894)	Goods and Services	Re-allocation of the budget	69,894
Compensation of Employees	Payment stipends for Health Volunteers	(66,000)	Non Profit Institutions	Payment stipends for Health Volunteers	66,000
Goods and Services		(719)	Machinery and Equipment		719
Interest and Rent on Land		(10)	Goods and Services		10
Building & Other Fix Structure		(2,880)	Machinery and Equipment		2,880
Machinery and Equipment	Re-allocation of the budget	(64)	Goods and Services	Re-allocation of the budget	64
Building & Other Fix Structure	Payment of MDR-TB drugs	(4,120)	Goods and Services	Payment of MDR-TB drugs	4,120
Percentage of programme budget		4.28%			
Programme 4		(56,127)	Programme 4		56,127
Compensation of Employees	Re-allocation of the budget	(52,377)	Goods and Services	Re-allocation of the budget	52,377
Machinery and Equipment		(3,750)	Goods and Services		3,750
Percentage of programme budget		4.70%			
Programme 5		(242,471)	Programme 5		242,471
Compensation of Employees	Re-allocation of the budget	(185,470)	Goods and Services	Re-allocation of the budget	185,470
Programme 5			Programme 2		
Compensation of Employees	Re-allocation of the budget	(49,309)	Goods and Services	Re-allocation of the budget	49,309
Programme 5			Programme 4		
Compensation of Employees	Re-allocation of the budget	(7,692)	Goods and Services	Re-allocation of the budget	7,692
Percentage of programme budget		11.66%			
Programme 6		(5,885)	Programme 6		5,885
Machinery and Equipment	Shortfall on Goods and Services	(5,885)	Goods and Services	Shortfall on Goods and Services	5,885
			Households		200
Machinery and Equipment			Building & Other Fix Structure		
Percentage of programme budget		3.68%			

Programme 7		(1,703)	Programme 7		1,703
Goods and Services		(3)	Interest and Rent on Land		3
Goods and Services		(1,700)	Machinery and Equipment		1,700
Percentage of programme budget		1.23%			
Programme 8		(69,299)	Programme 8		69,299
Building & Other Fix Structure		(60,799)	Machinery and Equipment		60,799
Programme 8			Programme 1		
Goods and Services	Operation of the Office of the MEC and Head: Health	(7,400)	Compensation of Employees	Operation of the Office of the MEC and Head: Health	1,000
Goods and Services	Operation of the Office of the MEC and Head: Health	(1,000)	Goods and Services	Operation of the Office of the MEC and Head: Health	7,400
Goods and Services	Operation of the Office of the MEC and Head: Health	(100)	Machinery and Equipment	Operation of the Office of the MEC and Head: Health	100
Percentage of programme budget		13.59%			
Total		(520,525)			520,525

### Other Adjustment

#### Additional Funding: (R28.000 million)

#### Programme 5: Central Hospital Services:

**R10 million** is allocated to programme 5 for funding of medical consumables.

#### Programme 8: Health Facilities Management

**R18 million** is allocated to programme 8 for funding of the boilers.

### Gifts, donations and sponsorships – R3.296 million

The Department of Health received **R3.296 million** from HWSETA for training of learnerships.

### Declared Unspent: (R18 514 million)

#### Programme 8: Health Facilities Management

**R18.514 million** was reprioritized from Infrastructure Enhancement Allocation to medical gas in the following programmes:

#### Programme 2: District Health Services

**R11.113 million** is allocated to programme 2 for funding of medical gas.

#### Programme 4: Provincial Hospital Services

**R2.464 million** is allocated to programme 4 for funding of medical gas.

### Programme 5: Central Hospital Services

**R4.937 million** is allocated to programme 5 for funding of medical gas.

## Expenditure 2013/14 and preliminary expenditure 2014/2015

Table 5.3 Expenditure trends

R thousand	2013/14				2014/15		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 14 - Sep 14 % of adjusted appropriation
1.Administration	278 010	130 177	46.82%	255 934	256 689	118 376	46.12%
2.District Health Services	3 168 485	1 542 958	48.70%	3 102 175	3 420 307	1 590 196	46.49%
3.Emergency Medical Services	465 308	215 338	46.28%	536 093	470 985	268 546	57.02%
4.Provincial Hospital Services	1 152 289	864 372	75.01%	1 133 244	1 204 557	620 891	51.55%
5.Central Hospital Services	1 961 115	857 587	43.73%	1 989 158	2 037 685	1 039 586	51.02%
6.Health Sciences & Training	202 659	85 683	42.28%	200 017	163 133	85 819	52.61%
7.Health Care Support	123 659	55 420	44.82%	101 575	138 398	51 268	37.04%
8.Health Facilities Management	640 803	122 656	19.14%	460 040	637 423	232 102	36.41%
less: Internal Charges							
<b>Subtotal</b>	<b>7 992 328</b>	<b>3 874 191</b>	<b>48.47%</b>	<b>7 778 236</b>	<b>8 329 177</b>	<b>4 006 784</b>	<b>48.11%</b>
Direct charge against the Provincial Revenue Fund							
<b>Total</b>	<b>7 992 328</b>	<b>3 874 191</b>	<b>48.47%</b>	<b>7 778 236</b>	<b>8 329 177</b>	<b>4 006 784</b>	<b>48.11%</b>
<b>Current payments</b>	<b>7 108 387</b>	<b>3 654 586</b>	<b>51.41%</b>	<b>7 132 774</b>	<b>7 523 703</b>	<b>3 727 628</b>	<b>49.55%</b>
Compensation of employees	5 209 999	2 605 666	50.01%	5 154 542	5 332 724	2 665 775	49.99%
Goods and services	1 897 723	1 048 535	55.25%	1 977 109	2 190 368	1 061 735	48.47%
Interest and rent on land	665	385	57.89%	1 123	611	118	19.31%
<b>Transfers and subsidies</b>	<b>148 224</b>	<b>48 461</b>	<b>32.69%</b>	<b>122 686</b>	<b>108 262</b>	<b>37 104</b>	<b>34.27%</b>
Provinces and municipalities	3 500			6 263		330	
Departmental agencies and accounts	2 000				2 000		
Universities and technikons							
Public corporations & private enterprises		201		1 014	30	2 522	
Non-profit institutions	72 320	30 627	42.35%	45 638	75 100	13 544	18.03%
Households	70 404	17 633	25.05%	69 771	31 132	20 708	66.52%
<b>Payments for capital assets</b>	<b>735 717</b>	<b>169 769</b>	<b>23%</b>	<b>521 384</b>	<b>697 212</b>	<b>242 052</b>	<b>34.72%</b>
Buildings and other fixed structures	523 023	118 383	22.63%	360 756	407 553	215 555	52.89%
Machinery and equipment	212 664	51 386	24.16%	160 628	289 659	26 497	9.15%
Specialised military assets							
Cultivated assets							
Software and other intangible assets	30						
Land and subsoil assets							
Of which: capitalised goods and services		22 365		24 587			
<b>Payments for financial assets</b>		<b>1 375</b>		<b>1 392</b>			
<b>Total</b>	<b>7 992 328</b>	<b>3 874 191</b>	<b>48.47%</b>	<b>7 778 236</b>	<b>8 329 177</b>	<b>4 006 784</b>	<b>48.11%</b>

**Main expenditure trends for the first half of the 2014/15 financial year**

Expenditure in the first six months of 2014/2015 amounted to R4.007 billion or 48.11 per cent of the adjusted appropriation of R8.329 billion.

**Programme 1: Administration**

The decrease in expenditure was mainly caused by outstanding invoices which will be processed before the end of the financial year.

**Programme 2: District Health Services**

The decrease in expenditure was mainly caused by the slow spending on Comprehensive HIV/Aid Grant.

**Programme 3: Emergency Medical Services**

The increase in expenditure was mainly caused by the payment of fleet services and operating leases of emergency vehicles.

**Programme 4: Provincial Hospital Services**

The spending is online with the benchmark due to controls of cash that is in place.

**Programme 5: Central Hospital Services**

The increase in expenditure was mainly caused by the payment of previous year accruals and procurement of medicine and medical supplies.

**Programme 6: - Health Science & Training**

The increase in expenditure was mainly caused by the Learnership payments.

**Programme 7: Health Care Support Services**

The decrease in expenditure was mainly caused by the delay of appointment of corporative for linens. Delay of delivery of machinery and equipment.

**Programme 8: Health Facilities Management**

The increase in expenditure was mainly caused by accelerated Infrastructure projects and the re-prioritisation of the budget to assist the institutions on the replacement of boilers.

**Economic Classification****Current Payments**

The decrease on current payments was caused by retirements of official and the slow spending on goods and services in Comprehensive HIV/Aids Grant.

**Transfers and subsidies**

The Non Profit expenditure decreased due to the late appointment of health community workers. The 66 percent on household are due to bursaries and high resignations.

**Payments for capital assets**

The increase in expenditure was mainly caused by accelerated Infrastructure projects and the re-prioritisation of the budget to assist the institutions on the replacement of boilers.

## Departmental receipts

Table 5.4 Expenditure trends

R thousand	Adjusted estimate	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 % of adjusted estimate
<b>Departmental receipts</b>	149 981	50 429		156 798	104.55%	158 380	164 080	56 469	34.42%
Tax receipts									
Sales of goods and services other than Transfers received	129 680	45 389		160 473	123.75%	140 735	146 315	53 434	36.52%
Fines, penalties and forfeits	-								
Interest, dividends and rent on land	263	174	1	219	83.27%	278	278	166	59.71%
Sales of capital assets	500	67		128	25.60%	1 267	1 387	161	11.61%
Financial transactions in assets and liabilities	19 538	4 799		(4 022)	-20.59%	16 100	16 100	2 708	16.82%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>149 981</b>	<b>50 429</b>		<b>156 798</b>	<b>105%</b>	<b>158 380</b>	<b>164 080</b>	<b>56 469</b>	<b>34.42%</b>

## Main departmental revenue trends for the first half of 2014/15

The Uniform Patient Fee Schedule tariff increase of 5.6 percent on externally funded patients was implemented in April 2014.

The department collected revenue from Department of Defence, RAF, Dept. of Justice, and Queen II hospital in Lesotho and National Defence Force in settlement of outstanding patient accounts.

The department did not receive revenue from the Joint Staff Establishment Agreement with the University of Free State in the first half of the current year.

Department also collected revenue from PPP agreement in the first half current financial year.

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

Table 5.5: Summary of changes to transfers and subsidies per programme

		2014/15					
R thousand	Main appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		
<b>1.Administration</b>	<b>3 447</b>						<b>3 447</b>
Public Corporations & Private Enterprises	30						30
Non Profit Institutions							
Households	3 417						3 417
<b>2.District Health Services</b>	<b>10 591</b>			<b>66 000</b>		<b>66 000</b>	<b>76 591</b>
Provinces and Municipalities							
Non Profit Institutions	7 236			66 000		66 000	73 236
Households	3 355						3 355
<b>3.Emergency Medical Services</b>	<b>32</b>						<b>32</b>
Households	32						32
<b>4.Provincial Hospital Management</b>	<b>5 182</b>						<b>5 182</b>
Non Profit Institutions	1 864						1 864
Households	3 318						3 318
<b>5.Central Hospital Services</b>	<b>7 351</b>						<b>7 351</b>
Households	7 351						7 351
<b>6.Health Sciences and Training</b>	<b>13 259</b>			<b>200</b>		<b>200</b>	<b>13 459</b>
Households	13 259			200		200	13 459
<b>7.Health Care Support Services</b>	<b>2 200</b>						<b>2 200</b>
Departmental Agencies & Accounts	2 000						2 000
Public Corporations & Private Enterprises							
Households	200						200
<b>8.Health Facilities Management</b>							
Provinces and Municipalities							
<b>Total transfers and subsidies</b>	<b>42 062</b>			<b>66 200</b>		<b>66 200</b>	<b>108 262</b>



## Vote 5 - Department of Health

Table 5.6: Summary of changes to conditional grants :Provinces

2014/15						
R thousand	Main appropriation	Adjustment appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	
<b>2.District Health Services</b>	<b>852 606</b>	<b>5 050</b>				<b>857 656</b>
Comprehensive HIV/Aids Grant	843 026	5 050				848 076
Forensic Pathology Service Grant	0					
NHI Grant	7 000					7 000
EPWP Grant to Province for Social Sector	2 580					2 580
<b>4.Provincial Hospital Services</b>						
Hospital Revitalisation Grant						
National Tertiary Service Grant						
<b>5.Central Hospital Services</b>	<b>1 044 510</b>					<b>1 044 510</b>
National Tertiary Service Grant	898 091					898 091
NHI Grant						0
Health Professional Training	146 419					146 419
<b>6.Health Science and Training</b>						
Nurse College						
<b>8.Health Facilities Management</b>	<b>452 070</b>	<b>136 489</b>			<b>18 000</b>	<b>606 559</b>
Hospital Revitalisation Grant	370 674	136 489			18 000	525 163
Nurse College	4 995					4 995
EPWP Intergrated Grant	3 108					3 108
Health Infrastructure Grant	73 293					73 293
<b>Total conditional grant: Province</b>	<b>2 349 186</b>	<b>141 539</b>			<b>18 000</b>	<b>2 508 725</b>

## Changes to Revenue Enhancement Allocation, including Earmarked funds

Table 5.7: Summary of changes Revenue Enhancement Allocation per programme

2014/15						
R thousand	Main appropriation	Adjustment appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	
<b>8.Health Facilities Management</b>	<b>24 500</b>				<b>( 18 514)</b>	<b>5 986</b>
Infrastructure Enhancement Allocation	24 500				( 18 514)	5 986
<b>Total conditional grant: Province</b>	<b>24 500</b>				<b>( 18 514)</b>	<b>5 986</b>

Table 5.6: Summary of changes to conditional grants :Provinces

		2013/14				
R thousand	Main appropriation	Adjustment appropriation				
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Adjusted appropriation
1. Administration	3 000				1 000	4 000
Revenue Enhancement All	3 000				1 000	4 000
Total conditional grant: Province	3 000				1 000	4 000

The allocated funds are for Case Managers Revenue Enhancement project currently continuing at Pelonomi and Bongani hospitals.

Funds will be used to pay the contracted service provider on commission basis for services rendered.

		Adjustment appropriation				
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Adjusted appropriation
6. Health Science and Training					3 296	3 296
HWSETA					3 296	3 296
Total conditional grant: Province					3 296	3 296

The National Human Resource Development Strategy and National Skills Development Strategy introduced Learnerships (18.1 and 18.2) and Internships as a mechanism to address the skills shortage and unemployment. Each year the Department is assisted by Health and Welfare SETA with funding so as to address the critical and scarce skills within the Department.

Payments are done in five (5) trenches upon submission of the following document: Learnership agreements, Memorandum of Understanding, Learner Progress Reports and Statement of Results. This fund is used for payment of stipends, course fees, uniforms and books for learnership learners. Currently an amount of R3.2 million is available in the Learnership Cost Centre.

**Revised Infrastructure project list**  
**Table 5.7: Revised Infrastructure Projects List**

Project name	Local Municipality	District	Source of Funding	Project Description	Project duration		Budget Programme	Date Captured on IRM	Total project cost R'[000]	Expenditure to date from previous years R'[000]	PSP Budget R'[000]	Construction Budget R'[000]	Total Budget To R'[000]	Total Budget From R'[000]	Captured on EPR&E Yes/No	EPWP Yes/No
1. New Infrastructure																
1.1 New Hospitals																
Mangaung Hospital	Mangaung metro	Mangaung metro	Health Facility Revitalisation Grant (HFRG)	District Hospital	TBC	TBC	Health Facilities Management Programme 8		931 819	33 525	0	0	0	0	No	
Mantsope Hospital Phase 1 & 2	Mantsope	Mokutsanyana DB		District Hospital	#####	#####			376 490	371 012	69 627	306 863	0	0	No	
Trompsburg Hospital	Kopanong	Xhariep		District Hospital	26 October 2010	20 September 2014			428 452	318 237	52 050	376 402	0	0	No	
Dhlabeng Hospital	Matluli A Phofung	Thabo Mokutsanyana DB		District Hospital	TBC	TBC			1 045 900	1 154	0	0	0	0	No	
Mangaung Hospital - Health Technology	Mangaung metro	Mangaung metro		Medical Equipment	TBC	TBC			95 879	0	0	0	0	0	No	
Trompsburg Hospital - Health Technology	Kopanong	Xhariep		District Hospital	01 April 2015	#####			37 781	0	0	0	0	0	No	
Mantsope Hospital - Health Technology	Mantsope	Thabo Mokutsanyana		Medical Equipment	01 April 2012	#####			38 913	30 000	0	0	0	0	No	
Total New Hospitals									2 955 234	753 928	121 677	683 265	0	0	0	0
1.2 New Clinics																
Amelia CHC	Melsimaholo	Fetile Dabi	Health Facility Revitalisation Grant (HFRG)	CHC	01 September 2014	#####	Health Facilities Management Programme 8		79 195	5 248	12 081	67 114	0	0	No	
Parys CHC	Ngwathe			CHC	2 September 2013	31 Aug 2014			7 559	0	0	0	0	No		
Schorkenville Clinic	Ngwathe			Clinic	01 April 2013	#####			4 720	355	566	4 154	0	-5 000	No	
Phokolong Clinic / Cornelia	Matluli			Clinic	01 October 2014	#####			35 950	2 393	7 179	28 771	0	0	No	
Reliebohlile Clinic	Ngwathe			Clinic	01 April 2014	31 March 2015			5 000	0	0	5 000	0	0	No	
Dereyaville Clinic	Melsimaholo			Clinic	02 September 2013	31 August 2014			7 125	4 015	0	7 125	4 245	0	No	
Viljoenskroon Clinic	Moqhaka			Clinic	2 September 2013	31 Aug 2014			7 559	6 038	0	7 559	0	0	No	
Boleta Clinic	Matluli A Phofung			Clinic	11 October 2011	6 August 2013			23 745	13 823	4 969	18 776	0	0	No	
Memel	Phumelela			Clinic	01 April 2012	31 March 2015			7 559	5 834	0	7 559	0	0	No	
Senekal Clinic	Setsole			Clinic	01 April 2012	26 September 2013			7 559	5 743	0	7 559	0	0	No	
Makhalaneng Clinic	Matluli A Phofung			Clinic	2 September 2013	31 March 2015			7 559	5 437	0	7 559	0	0	No	
Mphohadi Clinic	Dhlabeng			Clinic	2 Sep 2013	31 Aug 2014			7 125	0	0	7 125	2 406	0	No	
Tina Moloi (Qwaqwa)	Matluli a Phofung			Clinic	2 Sep 2013	31 Aug 2014			7 125	0	0	7 125	1 013	0	No	
Makgolokweng Clinic	Matluli A Phofung			Clinic	2 September 2013	31 Aug 2014			7 125	0	0	7 125	0	0	No	
Kamohelo Clinic	Masibong			Clinic	01 April 2016	#####			18 000	0	3 240	14 760			No	
Hennerman Clinic	Matluli a Phofung		Clinic	2 September 2013	31 Aug 2014		7 125	2 889	0	7 125	4 111	0	No			
Dealeville CHC	Tokologo		CHC	25 March 2004	30 Nov 2010		13 703	9 646	0	0	23	0	0	No		
Mandela Clinic	Letsemeng		Clinic	2 Sep 2013	31 Aug 2014		7 125	0	0	7 125	4 156	0	No			
Jacobdaal Clinic	Letsemeng	Xhariep	Clinic	2 Sep 2013	31 Aug 2014		7 125	3 110	0	7 125	1 050	0	No			
Medical equipment for all new Clinics and CHCs	All Municipalities		Medical Equipment	On going	On going		108 223	0	0	108 223	105 483	0	No			
Total New Clinics									502 206	64 531	28 035	326 909	122 487	-6 000		

Project name	Local Municipality	District	Source of Funding	Project Description	Project duration		Budget Programme	Date Captured on IRM	Total project cost R'[000]	Expenditure to date from previous years R'[000]	PSP Budget R'[000]	Construction Budget R'[000]	Total Budget To R'[000]	Total Budget From R'[000]	Captured on EPR&E Yes/No	EPWP Yes/No
1. New Infrastructure																
1.3 New Supporting Infrastructure																
New Qwa Qwa laundry	Maluti A Phofung	Thabo Mofutsanyana	HFRG	Laundry	TBC	TBC	Health Facilities Management		18 358	0	1 160	0	0	-1 160		No
Total New Supporting Infrastructure									18 358	0	1 160	0	0	-1 160		
Total New Infrastructure									3 475 798	818 459	150 872	1 010 174	122 487	-7 160		
2. Upgrade and Refurbish Infrastructure																
2.1 Upgrade and Refurbish Hospitals																
Pelononi Perimeter Fence and New Entrance	Mangaung metro	Mangaung Metro	Health Facility Revitalisation Grant (HFRG)	Tertiary Hospital	14 November 2011	14 May 2012	Health Facilities Management Programme 8		6 921	4 103	0	0	0	0		No
	Mangaung metro			Tertiary Hospital	06 May 2010	04 October 2014			123 953	57 779	14 874	109 079	0	0		No
	Mangaung metro			Tertiary Hospital	07 December 2007	04 July 2013			53 761	54 843	7 715	46 047	0	0		No
	Mangaung metro			Medical Equipment	Annually	Annually			146 929	82 629	0	0	0	0		No
	Mangaung metro			Accommodation	1-Sep-11	31-Mar-13			11 000	0	0	0	29	0	0	
Boitumelo Contract 10	Moghaka	Fezile Dabi	Health Facility Revitalisation Grant (HFRG)	Regional Hospital	17 December 2010	25 March 2013	Health Facilities Management Programme 8		187 085	182 337	29 324	157 760	0	0		No
Boitumelo Contract 12	Moghaka			Regional Hospital	28 July 2011	29 September 2014			219 212	89 160	21 220	197 992	32	0		No
Boitumelo Hospital Health Technology	Moghaka			Medical Equipment	Annually	Annually			0	38 828	0	0	0	0		No
Manisopa TB Specialised Hospital	Manisopa	District Hospital		01 April 2015	31 October 2017			252 014	1 881	37 490	214 524	0	(610)		No	
Elizabeth Ross Hospital Phase 2	Maluti A Phofung	District Hospital		01 April 2012	31 March 2014			11 587	2 587	0	3 300	112	0		No	
Dihlabeng Hospital (Floors and OPD)	Dihlabeng	Regional Hospital		27 October 2011	30 June 2013			18 398	15 334	4 252	14 146	0	0		No	
Elevators Manapo Hospital	Maluti A Phofung	Elevators		27 October 2011	31 March 2013			3 826	3 053	0	3 826	905	0		No	
Total Upgrade and Refurbish Hospitals									1 091 210	667 202	114 875	746 674	1 078	(610)		

Project name	Local Municipality	District	Source of Funding	Project Description	Project duration		Budget Programme	Date Captured on IRM	Total project cost R'[000]	Expenditure to date from previous years R'[000]	PSP Budget R'[000]	Construction Budget R'[000]	Total Budget To R'[000]	Total Budget From R'[000]	Captured on EPR&E Yes/No	EPWP Yes/No
					Date: Start                      Date: Finish											
2.2 Upgrade and Refurbish Clinics and CHC's																
Bloemspuit	Mangaung metro	Mangaung Metro	Health Facility Revitalisation Grant (HFRG)	Clinic	06 April 2014	31 March 2015	Health Facilities Management Programme 8		1 740	0	0	1 740	0	(1 740)		No
Heidedal CHC (Poly Clinic)	Boenfontein			Clinic	01 April 2014	02 April 2014			4 600	0	0	4 600	0	0		No
Winnie Mandela Clinic	Mangaung			Clinic	06 April 2014	31 March 2015			1 740	0	0	1 740	0	(1 740)		No
Bluegumbush Clinic	Maluti a Phofung	Thabo Mofutsanyana		Clinic	01 April 2014	02 April 2014			1 740	0	0	1 740	0	(1 740)		No
FATENG TSEINTSHO CLINIC	Maluti a Phofung			Clinic	01 April 2014	31 March 2015			1 980	0	0	1 980	0	(1 980)		No
RELEBOHILE CLINIC	Dihlabeng			Clinic	01 April 2014	31 March 2015			1 740	0	0	1 740	0	(1 740)		No
VREDE CHC	Phumelela	Fezile Dabi		CHC	01 April 2014	31 March 2015			2 178	0	0	1 740	0	0		No
Sefateng Clinic	Mochaka			Clinic	1 April 2016	31 March 2017			1 500	0	0	1 500	0	(1 500)		No
Dinokeng Clinic	Mochaka			Clinic	1 April 2016	31 March 2017			1 264	0	0	1 264	0	(1 264)		No
Brentpark	Mochaka	Lejweleputswa		Clinic	02 April 2014	31 March 2015			1 980	0	0	1 980	0	(1 980)		No
Rammulotsi Clinic	Mochaka			Clinic	02 April 2014	31 March 2015			1 980	0	0	1 980	0	(1 980)		No
Bophelong	Mochaka			Clinic	02 April 2014	31 March 2015			1 980	0	0	1 980	4 239	(1 980)		No
Tshepong Clinic (PHC)	Matjhabeng	IEA HFRG	IEA HFRG	Clinic	02 April 2014	31 March 2015			1 980	0	0	1 980	0	0		No
Ikgomotseng Clinic	Lejweleputswa			Clinic	02 April 2014	31 March 2015			1 980	0	0	1 980	0	0		No
Kgotleng PHC	Matjhabeng			Clinic	02 April 2014	31 March 2015			1 980	0	0	1 980	0	0		No
Phedisanang Clinic	Lejweleputswa	Clinic		02 April 2014	31 March 2015			1 980	0	0	1 980	0	(1 980)		No	
Rheederspark Clinic	Lejweleputswa	Clinic		02 April 2014	31 March 2015			1 980	0	0	1 980	4 141	0		No	
Mamello	Kopanong	Clinic		02 April 2014	31 March 2015			1 740	0	0	1 740	0	(1 740)		No	
Matlakeng	Kopanong	Clinic		03 April 2014	31 March 2015			1 740	0	0	1 740	0	(1 740)		No	
Nelson Mandela	Kopanong	Clinic		04 April 2014	31 March 2015			1 740	0	0	1 740	0	(1 740)		No	
One Stop	Kopanong	Clinic		05 April 2014	31 March 2015			1 740	0	0	1 740	0	(1 740)		No	
Oppermansdorp	Letsemeng			Clinic	06 April 2014	31 March 2015			1 740	0	0	1 740	0	(1 740)		No
Total Upgrade and Refurbish Clinics and CHC's									43 022	0	0	42 584	8 380	(28 324)		

Project name	Local Municipality	District	Source of Funding	Project Description	Project duration		Budget Programme	Date Captured on IRM	Total project cost R'[000]	Expenditure to date from previous years R'[000]	PSP Budget R'[000]	Construction Budget R'[000]	Total Budget To R'[000]	Total Budget From R'[000]	Captured on EPR&E Yes/No	EPWP Yes/No			
					Date: Start	Date: Finish													
2.3 Upgrade and Refurbish EMS Stations																			
Frankfort EMS	Matlube	Fezile Dabi	Health Facility Revitalisation Grant (HFRG)	EMS Station	01 April 2014	31 March 2015	Health Facilities Management Programme 8		1 508	0	0	1 508	0	0		No			
Heilbron EMS	Ngwathe			EMS Station	01 April 2014	31 March 2015			1 828	0	0	1 828	0	0		No			
Koppies EMS	Ngwathe			EMS Station	01 April 2014	31 March 2015			1 988	0	0	1 988	0	(1 988)		No			
Kroonstad EMS	Mochaka			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 988	0	(1 988)		No			
Parys EMS	Ngwathe			EMS Station	01 April 2014	31 March 2015			1 988	0	0	1 988	0	0		No			
Sasolburg EMS	Melimo'hollo			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 988	0	0		No			
Steynsrus EMS	Mochaka			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 988	0	0		No			
Viljoenskroon EMS	Mochaka			EMS Station	01 April 2014	31 March 2015			1 988	0	0	1 988	0	0		No			
Villiers EMS	Matlube			EMS Station	01 April 2014	31 March 2015			1 988	0	0	1 988	0	0		No			
Mamel EMS	Phumelela	Xhariep		EMS Station	01 April 2014	31 March 2015			1 628	0	0	1 628	0	(1 628)		No			
Bethulie EMS	Kopanong			EMS Station	01 April 2014	31 March 2015			1 988	0	0	1 988	0	0		No			
Diamant EMS	Kopanong			EMS Station	01 April 2014	31 March 2015			1 828	0	0	1 828	0	(1 828)		No			
Hydro Park EMS	Kopanong			EMS Station	01 April 2014	31 March 2015			1 988	0	0	1 988	0	(1 988)		No			
Jacobsdal EMS	Letsemeng			EMS Station	01 April 2014	31 March 2015			14 828	0	0	1 828	0	(1 828)		No			
Luckhoff EMS	Letsemeng			EMS Station	01 April 2014	31 March 2015			1 986	0	0	1 986	0	(1 986)		No			
Petrusburg EMS	Letsemeng			EMS Station	01 April 2014	31 March 2015			1 828	0	0	1 828	0	0		No			
Reddersburg EMS	Kopanong			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 508	0	0		No			
Rouxville EMS	Mohokare			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 508	0	0		No			
Smithfield EMS	Mohokare			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 508	0	(1 508)		No			
Springfontein EMS	Kopanong			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 508	0	0		No			
Trompsburg EMS	Kopanong			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 508	0	(1 508)		No			
Wepener EMS	Naledi			EMS Station	01 April 2014	31 March 2015			1 508	0	0	1 508	0	0		No			
Total Upgrade and Refurbish EMS Stations										50 934	0	0	39 374	0	(16 250)	0	0		
Total Upgrade and Refurbish Infrastructure										1 185 166	667 202	114 875	828 632	9 458	(45 184)	0	0		

Project name	Local Municipality	District	Source of Funding	Project Description	Project duration		Budget Programme	Date Captured on IRM	Total project cost R'[000]	Expenditure to date from previous financial years R'[000]	PSP Budget R'[000]	Construction Budget R'[000]	Total Budget To R'[000]	Total Budget From R'[000]	Captured on EPWP Yes/No	
					Date: Start	Date: Finish										
3. Refurbish and Renovate Infrastructure																
3.1 Refurbish and Renovate Hospitals																
Botumelo Renovation	Moshaka	Fetile Dabi	Health Facility Revitalisation Grant (HFRG)	Regional Hospital	01 April 2014	31 March 2017	Health Facilities Management Programme 8		10 000	0	0	10 000	0	0	No	
Pelononi - Renovation	Mangungu metro			Tertiary Hospital	01 November 2013	31 March 2018			10 000	0	0	10 000	0	0	No	
Pelononi - Convert section of Mancofe into Kindergarten	Mangungu metro			Tertiary Hospital	Cancelled				0	0	0	0	0	0	No	
Mancofe shared services accommodation - Hall	Mangungu metro			Tertiary Hospital	01 November 2015	30 July 2016			44 107	0	5 784	38 322	0	0	No	
Pelononi - Reconfigure old doctors' quarters into 16 bed Orthopaedic Ward	Mangungu metro			Tertiary Hospital	01 October 2014	30 July 2015			11 656	0	1 249	10 407	0	0	No	
Pelononi - Renovate Orthopaedic Ward	Mangungu metro			Tertiary Hospital	01 September 2017	31 March 2018			16 840	0	3 031	13 809	0	0	No	
Pelononi - Refurbish all roofs - starting with Trauma	Mangungu metro			Tertiary Hospital	01 April 2015	30 September 2015			2 895	0	0	2 895	0	0	No	
Pelononi - Refurbish Admissions and Casualty	Mangungu metro			Tertiary Hospital	01 May 2016	31 May 2017			48 284	746	7 365	40 919	0	0	No	
Pelononi - Refurbish Trauma and Emergency	Mangungu metro			Tertiary Hospital	01 May 2016	31 May 2017			0	0	0	0	0	0	No	
Pelononi - Reconfigure space in Maternity for new theatre	Mangungu metro			Tertiary Hospital	01 January 2015	31 January 2016			48 367	0	7 378	40 989	0	0	No	
Pelononi - Refurbish steam and water reticulation	Mangungu metro	Tertiary Hospital	01 March 2015	30 April 2016		28 398	0	3 704	24 694	0	0	No				
Upgrade under floor access areas throughout including Boilers, Ventilation and Bolthouse workshop and Bolthouse	Mangungu metro	Tertiary Hospital	01 March 2015	30 April 2016		0	0	0	0	0	0	No				
Pelononi - Renovate all antenatal - Relocate Records and Archives to stores once link to Clinical Engineering	Mangungu metro	Tertiary Hospital	Cancelled			0	0	0	0	0	0	No				
Pelononi - Upgrade Boilers, Ventilation and Bolthouse workshop and Bolthouse	Mangungu metro	Tertiary Hospital	01 September 2017	31 March 2018		4 140	0	745	3 395	0	0	No				
Pelononi - Renovate all antenatal - Relocate Records and Archives to stores once link to Clinical Engineering	Mangungu metro	Tertiary Hospital	01 January 2015	31 January 2016		31 719	0	4 158	27 561	0	0	No				
Pelononi - Block T Construct link to Clinical Engineering	Mangungu metro	Tertiary Hospital	01 November 2014	31 January 2015		2 276	174	347	1 929	0	0	No				
Upgrade Waste Management	Mangungu metro	Tertiary Hospital	01 June 2015	30 June 2016		37 693	0	5 750	31 943	0	0	No				
Pelononi Paediatric MDR Unit	Mangungu metro	Tertiary Hospital	01 January 2015	31 January 2016		37 760	0	5 760	32 000	0	0	No				
New generators	Mangungu metro	Tertiary Hospital	01 September 2013	31 March 2014		1 000	0	0	900	0	0	No				
Pelononi - Refurbish old X-Ray to accommodate Maxillo	Mangungu metro	Tertiary Hospital	01 January 2015	31 January 2016		54 068	0	8 248	45 820	0	0	No				
Pelononi Lifts	Mangungu metro	Tertiary Hospital				10 000	8 123	0	10 000	4 468	0	No				
National Hospital Lifts	Mangungu Metro	District Hospital	01 April 2012	23 February 2013		1 400	1 313	0	1 243	0	0	No				
Universitas Hospital Lifts	Mangungu Metro	Central Hospital				7 000	6 906	0	7 000	0	0	No				
FSPC Neuro Ward	Mangungu Metro	District Hospital	01 November 2012	31 March 2013		5 200	3 910	0	5 200	200	0	No				
FSPC Fence	Mangungu Metro	District Hospital				492	0	0	492	0	0	No				
Bolehabelo Neo Natal Ward	Mangungu Metro	District Hospital	01 November 2012	30 November 2013		1 988	488	0	1 988	0	0	No				
Bloemfontein EMS College	Mangungu Metro	College	11 April 2012	30 November 2013		7 451	5 767	774	6 677	65	(3 500)	No				
Dr JS Moroka MDR Unit	Mangungu Metro	District Hospital	01 April 2015	31 March 2016		3 100	0	0	0	0	0	No				
Bloemfontein Forensic Mortuary maintenance	Mangungu metro	Mortuary	01 April 2014	31 March 2015		3 796	0	0	3 796	0	0	No				
Dhlabeng Hospital Boilers	Dhlabeng	District Hospital	01 November 2013	31 March 2014		10 700	0	0	10 700	0	0	No				
E Ross Doctors' Quarters	Maluti A Phofung	District Hospital	01 November 2013	31 March 2015		9 500	0	1 710	7 790	119	0	No				
Manapo Hospital water Reticulation	Maluti A Phofung	District Hospital	01 April 2014	31 March 2015		5 000	0	900	4 100	0	0	No				
Phuthuloha Hospital	Maluti A Phofung	District Hospital	01 April 2012	31 March 2013		186	186	0	0	23	0	No				
Thebe Hospital	Maluti A Phofung	Hospital	01 April 2014	31 March 2015		73 269	72 480	13 593	59 676	0	(2 000)	No				
Boiler and Generator assessment	All Municipalities	Assess All Hospitals	01 April 2013	31 March 2014		13 200	0	13 200	0	0	0	No				
Boiler and Generator Refurbishment	All Municipalities	All Hospitals	01 July 2014	31 March 2017		76 607	0	0	76 607	78 439	0	No				
Boiler and Generator Refurbishment	All Municipalities	All Hospitals	01 July 2014	31 March 2017		18 763	0	0	18 763	0	0	(18 514)	No			
Total Refurbish and Renovate Hospitals									655 283	110 821	83 696	549 615	83 314	(24 014)	No	

Project name	Local Municipality	District	Source of Funding	Project Description	Project duration		Budget Programme	Date Captured on IRM	Total project cost R'[000]	Expenditure to date from previous years R'[000]	PSP Budget R'[000]	Construction Budget R'[000]	Total Budget To R'[000]	Total Budget From R'[000]	Captured on EPR&E Yes/No	EPWP Yes/No	
3.2 Refurbish and Renovate Clinics, CHC's and Supporting Infrastructure																	
PHEKOLONG CLINIC - REDDERSBURG	Kopanong	Xhatep	HFRG	Clinic	01 April 2014	31 March 2015	Health Facilities Management - Programme 8		398	0	0	398	0	0		No	
	All Municipalities	All districts	HFRG	Nurses Accommodation	No further funding this MTEF	N/A			32 777	0	0	4 995	0	0		No	
	Bophelo House	Mangaung Metro	IEA	Provincial Office	01 April 2013	30 March 2014			3 000	0	0	3000	30	(2 955)		No	
Total Refurbish and Renovate Clinics, CHC's and Supporting Infrastructure																	
Total Refurbish and Renovate Infrastructure																	
									698 112	110 821	83 696	557 610	83 344	(26 969)			
4. Recurrent Maintenance																	
Maintenance	FS Whole Province	All Districts	EPWP	All	01 April 2014	31 March 2015	Health Facilities Management		6 357	1 700	0	6 357	0	0		Yes	
5. Current Expenditure																	
DoRA compensation	N/A	N/A	HFRG	Compensation	Annually	Annually	Health Facilities Management			0						No	
QA & OD	All Municipalities	All Districts		Compensation	Annually	Annually				0							No
				Compensation	Annually	Annually				0					No		
Grant Management	N/A	N/A		Goods	Annually	Annually					0						No
Total Recurrent Maintenance																	
									0	0	0	0	0	0			
Infrastructure Capital Payments																	
Grant Management	N/A	N/A	HFRG	Machinery (Computers, Printers...)	Annually	Annually	Health Facilities Management		0	0						No	
Infrastructure Capital Payments																	
									5 365 433	1 598 182	349 443	2 402 773	215 288	(79 313)			
Total Infrastructure Programme																	



Table 5.8: Infrastructure Adjusted Appropriation

Infrastructure	Main Appropriation '2014/15	Increase/ Decrease	Adjusted Appropriation
<b>Infrastructure</b>			
<b>New infrastructure assets</b>	<b>100 041</b>	<b>115 327</b>	<b>215 368</b>
<b>Existing infrastructure assets</b>	<b>346 103</b>	<b>20 648</b>	<b>366 751</b>
Upgrading and additions	184 978	( 35 727)	149 251
Rehabilitation, renovations and refurbishment	158 017	56 375	214 392
Maintenance and repair	3 108		3 108
<b>Infrastructure transfers</b>	<b>30 426</b>		<b>30 426</b>
Current	30 426		30 426
Capital			
<i>Capital infrastructure</i>		135 975	135 975
<i>Current infrastructure</i>	32 784		32 784
<b>Total Infrastructure</b>	<b>476 570</b>	<b>135 975</b>	<b>612 545</b>

**VOTE 6**

**DEPARTMENT OF EDUCATION**

# Vote 6

## Department of Education

### Adjusted budget summary

R thousand	2014/15			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>11 258 854</b>	<b>11 266 064</b>	<b>(133 507)</b>	<b>140 717</b>
<b>of which:</b>				
Current payments	9 592 228	9 550 544	(41 684)	-
Transfers and subsidies	1 142 263	1 282 980	-	140 717
Payments for capital assets	524 363	432 540	(91 823)	-
Payments for financial assets				
<b>Direct charge against the Provincial Revenue Fund</b>	<b>11 258 854</b>	<b>11 266 064</b>	<b>(133 507)</b>	<b>140 717</b>
<b>Executive Authority</b>	<b>MEC for Education</b>			
<b>Accounting Officer</b>	<b>Superintendent General : Education</b>			
<b>Website address</b>	<b><a href="http://www.education.fs.gov.za">www.education.fs.gov.za</a></b>			

### Aim

To be a department that strives to ensure progressive realisation of universal schooling, improving quality of education and eliminating disparities amongst Free State citizens.

### Changes to programme purposes, objectives and measures

There are no changes to programme purposes, objectives and measures proposed during the 2014/15 financial year.

### Adjusted Estimates of Provincial Revenue & Expenditure 2014

Table 6.1(a): Adjusted estimates

Programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	
1.Administration	651 389			90 443		1 200	743 032
2.Public Ordinary School Education	8 397 218	709		(114 894)			8 283 033
3.Independent School Subsidies	14 913			11 172			26 085
4.Public Special School Education	387 871			(4 260)			383 611
5.Further Education and Training	185 111						185 111
6.Adult Basic Education and Training	193 265			(20 681)			172 584
7.Early Childhood Development	121 763			5 316			127 079
8.Infrastructure Development	573 389	54 392		(11 996)			615 785
9.Auxiliary and Associated Services	733 935	1 116		44 900	(75 207)	25 000	729 744
<b>Total</b>	<b>11 258 854</b>	<b>56 217</b>			<b>(75 207)</b>	<b>26 200</b>	<b>11 266 064</b>

## Economic classification

Table 6.1 (b): Adjusted Estimates by economic classification

Programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent Other Adjustments		
<b>Economic classification</b>							
<b>Current payments</b>	9 592 228	1 825		(69 709)	26 200	(41 684)	9 550 544
Compensation of employees	9 442 457			(145 300)	1 200	(144 100)	9 298 357
Goods and Services	149 771	1 825		75 591	25 000	102 416	252 187
Interest and rent on land							
<b>Transfers and subsidies to;</b>	1 142 263			215 924	(75 207)	140 717	1 282 980
Provinces and municipalities							
Departmental agencies and account	27 722			(15 870)		(15 870)	11 852
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	580 637			231 175		231 175	811 812
Households	533 904			619	(75 207)	(74 588)	459 316
<b>Payments for capital assets</b>	524 363	54 392		(146 215)		(91 823)	432 540
Buildings and other fixed structures	523 745	54 392		(153 863)		(99 471)	424 274
Machinery and equipment	438			6 440		6 440	6 878
Cultivated assets							
Software and other intangible assets	180			1 208		1 208	1 388
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>11 258 854</b>	<b>56 217</b>		<b>(75 207)</b>	<b>26 200</b>	<b>7 210</b>	<b>11 266 064</b>

## Programme 1: Administration

Table 6.1.1: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	Total adjustment appropriation	Adjusted appropriation
1.Office of the MEC	6 983			705			705	7 688
2.Corporate Services	160 407			66 571		1 200	67 771	228 178
3.Education Management	460 413			36 425			36 425	496 838
4.Human Resource Development	18 770			(12 461)			(12 461)	6 309
5.Education Management Information System(EMIS	4 816			(797)			(797)	4 019
<b>Total</b>	<b>651 389</b>			<b>90 443</b>		<b>1 200</b>	<b>91 643</b>	<b>743 032</b>
<b>Economic classification</b>								
<b>Current payments</b>	649 481			83 417		1 200	84 617	734 098
Compensation of employees	642 878			55 551		1 200	56 751	699 629
Goods and Services	6 603			27 866			27 866	34 469
Interest and rent on land								
<b>Transfers and subsidies to;</b>	1 908			628			628	2 536
Provinces and municipalities								
Departmental agencies and account				9			9	9
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	1 908			619			619	2 527
<b>Payments for capital assets</b>				6 398			6 398	6 398
Buildings and other fixed structures								
Machinery and equipment				5 190			5 190	5 190
Cultivated assets								
Software and other intangible assets				1 208			1 208	1 208
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>651 389</b>			<b>90 443</b>		<b>1 200</b>	<b>91 643</b>	<b>743 032</b>

**Programme 2: Public Ordinary School Education**

Table 6.1.2: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	Total adjustment appropriation	Adjusted appropriation
1.Public Primary Schools	4 748 290			(48 498)			(48 498)	4 699 792
2.Public Secondary Schools	3 242 099			(32 022)			(32 022)	3 210 077
3.Human Resource Development	47 981			(35 957)			(35 957)	12 024
4.School Sport, Culture and Media Services	26 572			1 583			1 583	28 155
5.Conditional Grants	332 276	709					709	332 985
<b>Total</b>	<b>8 397 218</b>	<b>709</b>		<b>(114 894)</b>			<b>(114 185)</b>	<b>8 283 033</b>
<b>Economic classification</b>								
<b>Current payments</b>	7 925 446	709		(228 286)			(227 577)	7 697 869
Compensation of employees	7 848 328			(194 114)			(194 114)	7 654 214
Goods and Services	77 118	709		(34 172)			(33 463)	43 655
Interest and rent on land								
<b>Transfers and subsidies to;</b>	471 709			113 203			113 203	584 912
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	450 176			113 203			113 203	563 379
Households	21 533							21 533
<b>Payments for capital assets</b>	63			189			189	252
Buildings and other fixed structures								
Machinery and equipment	63			189			189	252
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>8 397 218</b>	<b>709</b>		<b>(114 894)</b>			<b>(114 185)</b>	<b>8 283 033</b>

**Programme 3: Independent School Subsidies**

Table 6.1.3: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	Total adjustment appropriation	Adjusted appropriation
1.Public Primary Phase	8 295			6 672			6 672	14 967
2.Public Secondary Phase	6 618			4 500			4 500	11 118
Total	14 913			11 172			11 172	26 085
Economic classification								
Current payments								
Compensation of employees								
Goods and Services								
Interest and rent on land								
Transfers and subsidies to;	14 913			11 172			11 172	26 085
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	14 913			11 172			11 172	26 085
Households								
Payments for capital assets								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Payments for financial assets								
Total	14 913			11 172			11 172	26 085

**Programme 4: Public Special School Education**

Table 6.1.4: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	Total adjustment appropriation	
1.Schools	369 513			(4 260)			(4 260)	365 253
2.Human Resource Development								
3.School sport, culture and Media Services								
4.Conditional Grants	18 358							18 358
<b>Total</b>	<b>387 871</b>			<b>(4 260)</b>			<b>(4 260)</b>	<b>383 611</b>
<b>Economic classification</b>								
<b>Current payments</b>	335 907			(4 260)			(4 260)	331 647
Compensation of employees	335 907			(4 260)			(4 260)	331 647
Goods and Services								
Interest and rent on land								
<b>Transfers and subsidies to;</b>	51 964							51 964
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	51 627							51 627
Households	337							337
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>387 871</b>			<b>(4 260)</b>			<b>(4 260)</b>	<b>383 611</b>



## Table 6.1.5: Adjusted Estimates

[illegible]

**Programme 6: Adult Basic Education and Training**

Table 6.1.6: Adjusted Estimates

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	Total adjustment appropriation	
1.Public Centres	170 010			(23 381)			(23 381)	146 629
2.Professional Services	23 255			2 700			2 700	25 955
3.Human Resource Development								
<b>Total</b>	<b>193 265</b>			<b>(20 681)</b>			<b>(20 681)</b>	<b>172 584</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>193 265</b>			<b>(22 008)</b>			<b>(22 008)</b>	<b>171 257</b>
Compensation of employees	193 265			(25 131)			(25 131)	168 134
Goods and Services				3 123			3 123	3 123
Interest and rent on land								
<b>Transfers and subsidies to;</b>				<b>800</b>			<b>800</b>	<b>800</b>
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions				800			800	800
Households								
<b>Payments for capital assets</b>				<b>527</b>			<b>527</b>	<b>527</b>
Buildings and other fixed structures								
Machinery and equipment				527			527	527
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>193 265</b>			<b>(20 681)</b>			<b>(20 681)</b>	<b>172 584</b>

**Programme 7: Early Childhood Development**

Table 6.1.7: Adjusted Estimates

Subprogramme	2014/15	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments		
R'thousand	Main appropriation							
1. Grade R in Public Schools	114 931			3 933			3 933	118 864
2. Grade R in Community Centres	5 032			3 183			3 183	8 215
3. Pre-Grade R Training	1 800			(1 800)			(1 800)	
4. Human Resource Development								
<b>Total</b>	<b>121 763</b>			<b>5 316</b>			<b>5 316</b>	<b>127 079</b>
<b>Economic classification</b>								
<b>Current payments</b>	112 522			5 316			5 316	117 838
Compensation of employees	111 914			5 316			5 316	117 230
Goods and Services	608							608
Interest and rent on land								
<b>Transfers and subsidies to;</b>	9 241							9 241
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	9 241							9 241
Households								
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>121 763</b>			<b>5 316</b>			<b>5 316</b>	<b>127 079</b>

**Note:**

In terms of a Memorandum of understanding signed between the Free State Department of Education and the Flanders' International Cooperation. An amount of R564.379, 51 was received towards ECD Free State Flemish Partnership Project (PMR4) on 5 October 2014 and will be utilised to enhance sustainability and provisioning of quality pre-grade R education.

**Programme 8: Infrastructure Development**

Table 6.1.8: Adjusted Estimates

Subprogramme		2014/15					
R*thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	
1.Administration	8 000			4 664		4 664	12 664
2.Public Ordinary Schools	478 733	54 392		3 458		57 850	536 583
3.Special Schools	32 273			(990)		(990)	31 283
4.Early Childhood Development	54 383			(19 128)		(19 128)	35 255
<b>Total</b>	<b>573 389</b>	<b>54 392</b>		<b>(11 996)</b>		<b>42 396</b>	<b>615 785</b>
<b>Economic classification</b>							
<b>Current payments</b>	12 000			50 867		50 867	62 867
Compensation of employees	8 000						8 000
Goods and Services	4 000			50 867		50 867	54 867
Interest and rent on land							
<b>Transfers and subsidies to;</b>	37 644			91 000		91 000	128 644
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	37 644			91 000		91 000	128 644
Households							
<b>Payments for capital assets</b>	523 745	54 392		(153 863)		(99 471)	424 274
Buildings and other fixed structures	523 745	54 392		(153 863)		(99 471)	424 274
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>573 389</b>	<b>54 392</b>		<b>(11 996)</b>		<b>42 396</b>	<b>615 785</b>

## Programme 9: Auxiliary and Associated Services

Table 6.1.9: Adjusted Estimates

Subprogramme	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
R'thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other Adjustments	
1. Payments to SETA	27 722			(15 881)			11 841
2. Professional Services	78 067			678			78 745
3. Special Projects	554 737			28 454	(75 207)	10 000	517 984
4. External Examinations	61 839			31 649		15 000	108 488
5. Conditional Grants	11 570	1 116					12 686
<b>Total</b>	<b>733 935</b>	<b>1 116</b>		<b>44 900</b>	<b>(75 207)</b>	<b>25 000</b>	<b>729 744</b>
<b>Economic classification</b>							
<b>Current payments</b>	179 051	1 116		45 245		25 000	250 412
Compensation of employees	140 630			17 338			157 968
Goods and Services	38 421	1 116		27 907		25 000	92 444
Interest and rent on land							
<b>Transfers and subsidies to;</b>	554 884			(879)	(75 207)		478 798
Provinces and municipalities							
Departmental agencies and account	27 722			(15 879)			11 843
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	17 036			15 000			32 036
Households	510 126				(75 207)		434 919
<b>Payments for capital assets</b>				534			534
Buildings and other fixed structures							
Machinery and equipment				534			534
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>733 935</b>	<b>1 116</b>		<b>44 900</b>	<b>(75 207)</b>	<b>25 000</b>	<b>729 744</b>

## Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014

### Roll-overs – R56.217 million

### Programme 2: Public Ordinary School Education

An amount of R0.212 million is being rolled over for National School Nutrition Programme Grant and R0.497 million towards Dinaledi Schools Grant in relation to the outstanding commitments from 2013/14 financial year.

**Programme 8: Infrastructure Development**

An amount of R53.268 million is being rolled over for Education Infrastructure Grant and R1.124 million for EPWP Integrated grant to Provinces for infrastructure in respect of outstanding commitments from 2013/14 financial year.

**Programme 9: Auxiliary and Associated Services**

An amount of R1.116 million is being rolled over for HIV/AIDS (Life Skills Education) Grant in respect of outstanding commitments from 2013/14 financial year.

**Virements and shifts**

Table 6.2: Details on virements and shifts within a department

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Administration		(5 247)	Administration		95 690
<b>Current Expenditure</b>		<b>(5 247)</b>	<b>Current Expenditure</b>		<b>88 664</b>
Compensation of employees			Compensation of employees	Reprioritisation of compensation of employees between programmes	55 551
Goods and Services	Savings under skills levy to fund operational budget	(4 960)	Goods and Services	Towards operational budget from saving under skills levies	27 153
	Savings under travel and subsistence cost towards rental of photocopier and school furniture	(5)		Reprioritisation of budgets within Motheo District to support travel and subsistence cost	317
	Savings under various items towards finance leases of photocopiers	(226)		Towards travel and subsistence cost	38
	Savings under travel and subsistence cost towards purchasing of computer equipment	(7)		Towards rental of office buildings and new HR Systems	903
	Savings under various items towards purchasing of audio visual equipment and rental of photocopiers	(49)		Towards Health Risk practitioner, resettlement cost and other running cost from saving under Payments to SETA	4 702

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Current Transfers and Subsidies</b>			- <b>Current Transfers and Subsidies</b>		<b>628</b>
			Departmental agencies and accounts	Towards operational budget from saving under skills levies	9
			Households	Towards operational budget from saving under skills levies	220
				Towards leave gratuities and injury on duty from savings under Payments to SETA	399
<b>Capital Expenditure</b>			- <b>Capital Expenditure</b>		<b>6 398</b>
			Machinery and Equipment	Towards operational budget from saving under skills levies	4 089
				Towards rental of photocopiers from saving under transport to scholars	12
				Towards rental of photocopiers from savings under various items under goods and services	226
				Towards purchasing of computer equipment from saving under travel and subsistence cost	7
				Towards purchasing of audio visual equipment and rental of photocopiers through savings on various items under goods and services	49
				Towards rental of photocopiers from savings under travel and subsistence cost	2
				Towards Computer equipment to implement HR System	805
			Software and other intangible assets	Towards operational budget from saving under skills levies	1 208
<b>Percentage of Programme budget</b>		<b>13.85%</b>			

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Public Ordinary School Education		(234 383)	Public Ordinary School Education		119 489
<b>Current Expenditure</b>		<b>(231 240)</b>	<b>Current Expenditure</b>		<b>2 954</b>
Compensation of employees	Savings under Compensation of employees to fund other pressure areas	(96 876)	Compensation of employees		
	Savings to fund Public Ordinary Schools, Independent Schools and winter classes	(48 424)			
	Reprioritisation of compensation of employees between programmes	(48 814)			
Goods and Services	Savings under skills levy to fund operational budget	(35 726)	Goods and Services	Towards operational budget from saving under skills levies	780
	Reprioritisation of budgets within Motheo District to support travel and subsistence cost	(137)		Towards schools water and electricity from savings under compensation of employees	674
	Savings towards Public centres for electricity bills and LTSM	(1 088)		Towards travel and subsistence cost for teachers attending developmental training from savings under transfers and subsidies	1 500
	Savings under operating leases, school furniture and Durable subject material towards finance leases of photocopiers	(55)			
	Savings under various items towards photographic equipment under NSNP Grant	(43)			
	Savings to fund Public Ordinary Schools, Independent Schools and winter classes	(77)			
<b>Current transfers &amp; Subsidies</b>		<b>(3 143)</b>	<b>Current transfers &amp; Subsidies</b>		<b>116 346</b>
Non-profit Institutions	Savings under skills levy to fund operational budget	(231)	Non profit institutions	Towards Section 21 schools from savings under compensation of employees	96 202
	Savings towards Public centres for electricity bills and LTSM	(800)		To fund Public Ordinary Schools, Independent Schools and winter classes through saving under compensation of employees and goods and services	20 144
	Savings towards travel and subsistence cost for teacher attending developmental training	(1 500)			



FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
	Savings towards Public centres for LTSM	(612)			
<b>Capital Expenditure</b>		-	<b>Capital Expenditure</b>		<b>189</b>
			Machinery and Equipment	Towards operational budget from saving under skills levies	91
				Towards finance leases of photocopiers from savings under operating leases, school furniture and Durable subject material	55
				Towards photographic equipment under NSNP Grant from savings under goods and services	43
Percentage of Programme budget		-1.37%			
<b>Independent School Subsidies</b>		-	<b>Independent School Subsidies</b>		<b>11 172</b>
<b>Current Transfers and Subsidies</b>			<b>Current Transfers and Subsidies</b>		<b>11 172</b>
			Non profit institutions	To fund Independent Schools through saving under compensation of employees and goods and services	11 172
Percentage of Programme budget		74.91%			
<b>Public Special School Education</b>		(4 260)	<b>Public Special School Education</b>		-
<b>Current Expenditure</b>		(4 260)	<b>Current Expenditure</b>		-
Compensation of employees	Reprioritisation of compensation of employees between programmes	(4 260)			
Percentage of Programme budget		-1.10%			
<b>Adult Basic Education and Training</b>		(25 131)	<b>Adult Basic Education and Training</b>		<b>4 450</b>
<b>Current Expenditure</b>		(25 131)	<b>Current Expenditure</b>		<b>3 123</b>
Compensation of employees	Reprioritisation of compensation of employees between programmes	(25 131)	Goods and Services	Towards operational budget from saving under skills levies	1 423
				Towards Public centres for electricity bills and LTSM from savings under public schools	1 088
				Towards Public Centres for LTSM	612

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Current Transfers and subsidies</b>			- <b>Current Transfers and subsidies</b>		<b>800</b>
			Non-profit Institutions	Towards Public centres for electricity bills and LTSM from savings under public schools	800
<b>Capital Expenditure</b>			- <b>Capital Expenditure</b>		<b>527</b>
			Machinery and Equipment	Towards operational budget from saving under skills levies	527
Percentage of Programme budget		-10.70%			
<b>Early Childhood Development</b>			- <b>Early Childhood Development</b>		<b>5 316</b>
<b>Current Expenditure</b>			- <b>Current Expenditure</b>		<b>5 316</b>
			Compensation of employees	Reprioritisation of compensation of employees between programmes	5 316
Percentage of Programme budget		4.37%			
<b>Infrastructure Development</b>		(173 725)	<b>Infrastructure Development</b>		<b>161 729</b>
<b>Current Expenditure</b>		(1 601)	<b>Current Expenditure</b>		<b>52 468</b>
Goods and Services	Savings towards capital infrastructure projects	(1 601)	Goods and Services	Towards operational budget from saving under skills levies	1 968
				Towards school furniture for new schools as well as maintenance of office buildings and schools	50 500
<b>Capital Transfers and Subsidies</b>		(16 660)	<b>Capital Transfers and subsidies</b>		<b>107 660</b>
Non-profit institutions	Savings to other infrastructure projects as well as operational budget	(16 660)	Non-profit institutions	Towards partnerships	107 660
<b>Capital Expenditure</b>		(155 464)	<b>Capital Expenditure</b>		<b>1 601</b>
Buildings and fixed structure	Savings under various infrastructure projects to transfer payments and maintenance of buildings	(155 464)	Buildings and fixed structures	Towards capital infrastructure projects funded from savings under current expenditure	1 601
Percentage of Programme budget		-2.09%			

Table 6.2: Details on virements and shifts within a department

FROM:			TO:		
Programme by	Motivation	R' thousand	Programme by Economic	Motivation	R' thousand
<b>Auxiliary and Associated Services</b>		(16 236)			61 136
<b>Current Expenditure</b>		(355)	<b>Current Expenditure</b>		45 600
Compensation of employees			Compensation of employees	Reprioritisation of compensation of employees between programmes	17 338
Goods and Services	Reprioritisation of budgets within Motheo District to support travel and subsistence cost	(180)	Goods and Services	Towards operational budget from saving under skills levies	3 038
	Saving under transport of scholars to rental of photocopiers and travel and subsistence cost	(50)		Towards school furniture from savings under travel and subsistence cost	3
	Saving under various items towards finance leases of photocopiers and purchasing of computer equipment under HIV/Aids Life skills grant	(125)		To fund winter classes through saving under compensation of employees and goods and services	2 185
				Towards various projects for the running of external examinations	12 256
				Towards Hymaths, External examinations and contractual obligations from savings under payments to SETA	10 780
<b>Current Transfers and Subsidies</b>		(15 881)	<b>Current Transfers and Subsidies</b>		15 002
Departmental Agencies and Accounts	Savings towards Health Risk practioner, Resettlement cost, Injury on duty and other obligations	(15 881)	Departmental agencies and Accounts	Towards operational budget from saving under skills levies	2
Non profit institutions			Non profit institutions	To fund winter classes through saving under compensation of employees and goods and services	15 000
			Households		
<b>Capital Expenditure</b>		-	<b>Capital Expenditure</b>		534
			Machinery and Equipment	Towards operational budget from saving under skills levies	409
				Towards finance leases of photocopiers and purchasing of computer equipment HIV/AIDS Life skills grant from savings under goods and services	125
<b>Percentage of programme budget</b>		6.12%			
<b>Total</b>		(458 982)			458 982

**VIREMENTS****Reduce Skills levy to fund operational budget**

Skills levy budget was reduced to fund operational budget as the Departmental budget was insufficient to operational costs.

**From: Programme 1: Administration,** Current Expenditure, Goods and Services, R4.960 million;

**From: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and Services, R35.726 million;

**From: Programme 2: Public Ordinary School Education,** Current Transfers and Subsidies, Non-profit institutions, R0.231 million;

**To: Programme 1: Administration,** Current Expenditure, Goods and Services R27.153 million;

**To: Programme 1: Administration,** Current Transfers and Subsidies, Departmental agencies and accounts, R0.009 million and Households, R0.220 million;

**To: Programme 1: Administration,** Capital Expenditure, Machinery and Equipment, R4.089 million and Software and other intangible assets, R1.208 million;

**To: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and Services, R0.780 million;

**To: Programme 2: Public Ordinary School Education,** Capital Expenditure, Machinery and equipment, R0.091 million;

**To: Programme 6: Adult Basic Education and Training,** Current Expenditure, Goods and services, R1.423 million;

**To: Programme 6: Adult Basic Education and Training,** Capital Expenditure, Machinery and equipment, R0.527 million;

**To: Programme 8: Infrastructure Development,** Current Expenditure, Goods and services, R1.968 million;

**To: Programme 9: Auxiliary and Associated Services,** Current Expenditure, Goods and services, R3.038 million;

**To: Programme 9: Auxiliary and Associated Services,** Current Transfers and Subsidies, Departmental agencies and accounts, R0.002 million;

**To: Programme 9: Auxiliary and Associated Services,** Capital Expenditure, Machinery and equipment, R0.409 million;

**Reduce compensation of employees to fund other pressure areas**

Department reduced compensation of employees in order to fund operational budget, priorities, contractual obligations and 2013/14 financial year accruals with the purpose of supporting effective learning and teaching in the province.

**From: Programme 2: Public Ordinary School Education,** Current Expenditure, Compensation of employees, R96.876 million;

**To: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and Services R674 thousand;

**To: Programme 2: Public Ordinary School Education,** Current Transfers and Subsidies, Non profit institutions, R96.202 million;

#### **Reprioritising of budgets within Motheo District**

Motheo District office reprioritised its budget amongst their sub-directorate toward travel and subsistence cost to monitor and support schools.

**From: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and Services, R137 thousand;

**From: Programme 9: Auxiliary and Associated Services,** Current Expenditure, Goods and Services, R180 thousand;

**To: Programme 1: Administration,** Current Expenditure, Goods and Services, R317 thousand;

#### **Shifting of funds towards school furniture purchased in 2013/14 financial year (accruals) and rental of Photocopier machines.**

Saving under travel and subsistence to be shifted towards school furniture and rental of photocopier machines,

**From: Programme 1: Administration,** Current Expenditure, Goods and services, R5 thousand;

**To: Programme 1: Administration,** Capital Expenditure, Machinery and equipment, R2 thousand;

**To: Programme 9: Auxiliary and Associated Services,** Current Expenditure, Goods and Services, R3 thousand.

#### **Shifting of funds towards Adult Basic Education and Training**

Funds were shifted to reduce budget pressures specifically for electricity bills and LTSM for adult centres.

**From: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and Services, R1.088 million;

**From: Programme 2: Public Ordinary School Education,** Current Transfers and Subsidies, Non-profit institutions, R800 thousand;

**To: Programme 6: Adult Basic Education and Training,** Current Expenditure, Goods and Services, R1.088 million.

**To: Programme 6: Adult Basic Education and Training,** Current Transfers and Subsidies, Non profit institutions, R800 thousand;

**Shifting of funds towards contractual obligations.**

Saving under transport of scholars to be shifted towards rental of photocopier machines, travel and subsistence cost.

**From: Programme 9: Auxiliary and Associated Services**, Current Expenditure, Goods and services, R50 thousand;

**To: Programme 1: Administration**, Current Expenditure, Goods and Services, R38 thousand.

**To: Programme 1: Administration**, Capital Expenditure, Machinery and Equipment, R12 thousand.

**Reduce compensation of employees to fund Public Ordinary Schools, Independent schools and winter classes.**

The Department reduced compensation of employees in order to fund Public Ordinary Schools, Independent Schools and to host winter classes.

**From: Programme 2: Public Ordinary School Education**, Current Expenditure, Compensation of employees, R48.424 million:

**From: Programme 2: Public Ordinary School Education**, Current Expenditure, Goods and Services, R0.077 million:

**To: Programme 2: Public Ordinary School Education**, Current Transfers and Subsidies, Non-profit institutions, R20.144 million

**To: Programme 3: Independent School Subsidies**, Current Transfers and Subsidies, Non profit institutions, R11.172 million;

**To: Programme 9: Auxiliary and Associated Services**, Current Expenditure, Goods and Services, R2.185 million:

**To: Programme 9: Auxiliary and Associated Services**, Current Transfers and Subsidies, Non profit institutions, R15.000 million;

**Reprioritise compensation of employees between programmes**

**From: Programme 2: Public Ordinary School Education**, Current Expenditure, Compensation of employees, R48.814 million:

**From: Programme 4: Public Special School Education**, Current Expenditure, Compensation of employees, R4.260 million:

**From: Programme 6: Adult Basic Education and Training**, Current Expenditure, Compensation of employees, R25.131 million:

**To: Programme 1: Administration**, Current Expenditure, Compensation of employees, R55.551 million:

**To: Programme 7: Early Childhood Development**, Current Expenditure, Compensation of employees, R5.316 million:

**To: Programme 9: Auxiliary and Associated Services**, Current Expenditure, Compensation of employees, R17.338 million:

**Shifting of funds from Infrastructure Enhancement Allocation towards other infrastructure projects, external examinations, school furniture for completed schools and new Human Resource System**

**From: Programme 8: Infrastructure Development, Capital Expenditure, Buildings and Fixed Structures, R155.464 million:**

**From: Programme 8: Infrastructure Development, Capital Transfers and Subsidies, Non-profit Institutions, R16.660 million:**

**To: Programme 1: Administration, Current Expenditure, Goods and Services, R0.903 million:**

**To: Programme 1: Administration, Capital Expenditure, Machinery and Equipment, R0.805 million:**

**To: Programme 8: Infrastructure Development, Current Expenditure, Goods and Services, R50.500 million**

**To: Programme 8: Infrastructure Development, Capital Transfers and Subsidies, Non profit institutions, R107.660 million**

**To: Programme 9: Auxiliary and Associated Services, Current Expenditure, Goods and Services, R12.256 million**

**Shifting of funds from Payments to resettlement cost, Health Risk Practitioner, injury on duty and other contractual obligations**

**From: Programme 9: Auxiliary and Associated Services, Current Transfers and Subsidies, Departmental Agencies and Accounts, R15.881 million;**

**To: Programme 1: Administration, Current Expenditure, Goods and Services, R4.702 million:**

**To: Programme 1: Administration, Current Transfers and Subsidies, Households, R0.399 million:**

**To: Programme 9: Auxiliary and Associated Services, Current Expenditure, Goods and Services, R10.780 million**

**Shifting of funds from Non profit institutions towards learning and teaching support material for Public Centres**

**From: Programme 2: Public Ordinary School Education, Current Transfers and Subsidies, Non-profit institutions, R0.612 million:**

**To: Programme 6: Adult Basic Education and Training, Current Expenditure, Goods and Services, R0.612 million:**

**SHIFTING OF FUNDS WITHIN MAIN DIVISIONS**

**Increase of capital expenditure toward capital infrastructure projects**

The Department shifted funds from skills levy in order to fund projects related to office space, which was not funded through the Education infrastructure grant.



**From: Programme 8: Infrastructure Development:** Current Expenditure, Goods and services, R1.601 million;

**To: Programme 8: Infrastructure Development:** Capital Expenditure, Buildings and fixed structures, R1.601 million;

**Increase of capital expenditure towards rental of photocopier machines**

**From: Programme 1: Administration:** Current Expenditure, Goods and services, R0.226 thousand;

**To: Programme 1: Administration:** Capital Expenditure, Machinery and equipment, R226 thousand;

**From: Programme 2: Public Ordinary School Education:** Current Expenditure, Goods and services, R55 thousand;

**To: Programme 2: Public Ordinary School Education:** Capital Expenditure, Machinery and equipment, R55 thousand;

**Increase capital expenditure to purchase computer equipment**

**From: Programme 1: Administration:** Current Expenditure, Goods and Services, R7 thousand

**To: Programme 1: Administration:** Capital Expenditure, Machinery and Equipment, R7 thousand;

**Reprioritisation of HIV/AIDS (Life skills) grant**

**From: Programme 9: Auxiliary and Associated services:** Current Expenditure, Goods and Services, R125 thousand

**To: Programme 9: Auxiliary and Associated services:** Capital Expenditure, Machinery and Equipment, R125 thousand;

**Shift funds from Goods and Services to Machinery and Equipment**

Funds were shifted to purchase audio visual equipment and towards rental of photocopier machines.

**From: Programme 1: Administration:** Current Expenditure, Goods and Services, R49 thousand

**To: Programme 1: Administration:** Capital Expenditure, Machinery and Equipment, R49 thousand;

**Increase Capital expenditure to purchase photographic equipment for NSNP Programme**

**From: Programme 2: Public Ordinary School Education:** Current Expenditure, Goods and Services, R43 thousand

**To: Programme 2: Public Ordinary School Education:** Capital Expenditure, Machinery and Equipment, R43 thousand;



**Decrease transfer and subsidies and increase goods and services**

Transfer payments to be decreased to remunerate teachers who attended developmental training sessions.

**From: Programme 2: Public Ordinary School Education:** Current transfers and subsidies, Non profit institutions, R1.5 million;

**To: Programme 2: Public Ordinary School Education:** Current Expenditure, Goods and services, R1.5 million;

**Other adjustments – R25 million**

Additional funding of R25 million has been allocated to cover costs related to Hymaths and the executing of external examinations.

**Funds shifted between votes following a transfer of function – R1.2 million**

Deputy Director General was moved from Department of the Premier to the Department of Education.

**Declared Unspent – R75.207 million**

R75.207 million has been reprioritised by Provincial Treasury from Provincial Bursaries.

**Expenditure 2013/14 and preliminary expenditure 2014/15**

Table 6.3 Expenditure trends

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013 % adjusted		Apr 2013 - Mar 2014 % adjusted		Adjusted appropriation	Apr 14 - Sep 14 % of adjusted	
		Apr 2013 - Sep 2013	adjusted appropriation	Apr 2013 - Mar 2014	adjusted appropriation		Apr 2014 - Sep 2014	appropriation
1.Administration	878 499	456 497	51.96%	856 646	98%	743 032	443 396	59.67%
2.Public Ordinary School Education	7 563 811	4 129 866	54.60%	8 079 652	106.82%	8 283 033	4 283 599	52%
3.Independent School Subsidies	56 980	27 445	48.17%	40 367	70.84%	26 085	38 799	149%
4.Public Special School Education	354 395	177 111	49.98%	354 697	100.09%	383 611	204 983	53%
5.Further Education and Training	172 882	79 394	45.92%	180 721	104.53%	185 111	84 406	46%
6.Adult Basic Education and Training	158 967	77 592	48.81%	155 757	97.98%	172 584	81 363	47%
7.Early Childhood Development	134 229	61 565	45.87%	120 709	89.93%	127 079	62 952	50%
8.Infrastructure Development	502 524	184 019	36.62%	423 304	84.24%	615 785	222 990	36%
9.Auxiliary and Associated Services	790 724	471 471	59.63%	682 256	86.28%	729 744	523 522	72%
<b>Subtotal</b>	<b>10 613 011</b>	<b>5 664 960</b>	<b>53.38%</b>	<b>10 894 109</b>	<b>102.65%</b>	<b>11 266 064</b>	<b>5 946 010</b>	<b>52.78%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>10 613 011</b>	<b>5 664 960</b>	<b>53.38%</b>	<b>10 894 109</b>	<b>102.65%</b>	<b>11 266 064</b>	<b>5 946 010</b>	<b>52.78%</b>

## Vote 6 - Department of Education

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013 %		Apr 2013 - Mar 2014 %		Adjusted appropriation	Apr 14 - Sep 14	
		Apr 2013 - Sep 2013	adjusted appropriation	Apr 2013 - Mar 2014	adjusted appropriation		Apr 2014 - Sep 2014	% of adjusted appropriation
<b>Current payments</b>	<b>8 887 016</b>	<b>4 716 380</b>	<b>53.07%</b>	<b>9 243 930</b>	<b>104.02%</b>	<b>9 550 544</b>	<b>4 955 344</b>	<b>51.89%</b>
Compensation of employees	8 119 384	4 366 619	53.78%	8 718 822	107.38%	9 298 357	4 581 866	49.28%
Goods and services	767 632	349 761	45.56%	525 108	68.41%	252 187	373 478	148.10%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>1 309 595</b>	<b>799 362</b>	<b>61.04%</b>	<b>1 311 466</b>	<b>100.14%</b>	<b>1 282 980</b>	<b>811 679</b>	<b>63.27%</b>
Provinces and municipalities								
Departmental agencies and accounts	7 834	1	0.01%	7 036	89.81%	11 852	1	0.01%
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	1 051 712	554 840	52.76%	1 022 657	97.24%	811 812	525 820	64.77%
Households	250 049	244 521	97.79%	281 773	112.69%	459 316	285 858	62.24%
<b>Payments for capital assets</b>	<b>416 400</b>	<b>149 218</b>	<b>35.84%</b>	<b>338 649</b>	<b>81.33%</b>	<b>432 540</b>	<b>178 749</b>	<b>41.33%</b>
Buildings and other fixed structures	399 301	138 791	34.76%	325 867	81.61%	424 274	175 266	41.31%
Machinery and equipment	17 099	10 427	60.98%	12 782	74.75%	6 878	3 108	45.19%
Specialised military assets								
Cultivated assets								
Software and other intangible assets						1 388	375	27.02%
Land and subsoil assets								
<b>Payments for financial assets</b>				<b>64</b>			<b>238</b>	
<b>Total</b>	<b>10 613 011</b>	<b>5 664 960</b>	<b>53.38%</b>	<b>10 894 109</b>	<b>102.65%</b>	<b>11 266 064</b>	<b>5 946 010</b>	<b>52.78%</b>

**Main expenditure trends for the first half of the 2014/15 financial year**

Expenditure in the first six months of 2014/15 amounted to R5.946 billion or 52.78 percent of the adjusted appropriation of R11.266 billion against spending of R5.664 billion or 53.38 percent of the adjusted appropriation of R10.613 billion in the 2013/14 financial year.

**Spending by Programme****Programme 1: Administration**

The increase is mainly due to the increase in compensation of employees and households.

**Programme 2: Public Ordinary School Education**

The decrease is mainly due to the decrease in goods and services and non profit institutions as the departmental budget is insufficient.

**Programme 3: Independent School Subsidies**

The increase in the 2014/15 spending is mainly due to non-payment of transfers to schools during the last term of 2013/14 financial year that was paid in 2014/15 due to cash constraints during 2013/14 financial year.

**Programme 4: Public Special School Education**

The increase in the 2014/15 spending is due to improvement in conditions of services, general increases on transfer payments.

**Programme 5: Further Education and Training**

The increase is mainly due to improvement in conditions of services

**Programme 6: Adult Basic Education and Training**

The decrease in the 2014/15 spending is mainly under goods and services as there were a reduction in funds allocated as the departmental budget was insufficient.

**Programme 7: Early Childhood Development**

The increase in the 2014/15 spending is mainly due to increase in compensation of employees

**Programme 8: Infrastructure Development**

The decrease is mainly due to delay in appointments of contractors.

**Programme 9: Auxiliary and Associated Services**

The increase is mainly due to increase in compensation of employees and accruals of 2013/14 paid in 2014/15. Provincial bursaries also increase with R111 million.

**Spending by Economic Classification****Current Payments**

The decrease in spending of 1.18 percent is mainly on compensation of employees due to delay in appointments.

**Transfer Payments**

Spending against transfer payments increased with 2.23 percent due to the fact that the budget of transfer payments can only be increase during the adjustment budget process and payments will be affected after tabling of adjustment budget.

**Payment for capital assets**

The spending increased with 5.49 percent; it was mainly on buildings and fixed structures.

## Departmental receipts

Table 6.4 Expenditure trends

2013/14						2014/15			
Audited outcome						Actual receipts			
R thousand	Adjusted estimate	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013- Mar 201 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 % of adjusted estimate
Departmental receipts	18 278	8 905	48.72%	18 024	98.61%	19 302	19 851	8 988	45.28%
Tax receipts									
Sales of goods and services other than Transfers received	12 228	6 252	51.13%	13 032	106.58%	13 095	13 402	6 577	49.07%
Fines, penalties and forfeits	230	107	46.52%	263	100.79%	277	471	333	70.70%
Interest, dividends and rent on land	320	182	56.88%	369	100.79%	330	330	127	38.48%
Sales of capital assets									
Financial transactions in assets and	5 500	2 364	42.98%	4 360	100.79%	5 600	5 648	1 951	34.54%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>18 278</b>	<b>8 905</b>	<b>48.72%</b>	<b>18 024</b>	<b>98.61%</b>	<b>19 302</b>	<b>19 851</b>	<b>8 988</b>	<b>45.28%</b>

## Main departmental revenue trends for the first half of 2014/15

Services rendered, commission, fines, penalties and forfeits were under projected therefore the increase.

## Changes to transfers and subsidies, including conditional grants

Table 6.5: Summary of changes to transfers and subsidies per programme

R thousand	2014/15						
	Adjustment appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared Unspent	Other adjustments	
<b>1. Administration</b>	<b>1 908</b>			<b>628</b>		<b>628</b>	<b>2 536</b>
<b>Current</b>							
<b>Households</b>	<b>1 908</b>			<b>619</b>		<b>619</b>	<b>2 527</b>
H/H empl s/ben: Injury on duty				319		319	319
H/H empl s/ben: Leave gratuity	1 908			300		300	2 208
<b>Departmental Agencies and</b>				<b>9</b>		<b>9</b>	<b>9</b>
Com: Licences (radio & Tv)				9		9	9
<b>2. Public Ordinary School Education</b>	<b>471 709</b>			<b>113 203</b>		<b>113 203</b>	<b>584 912</b>
<b>Current</b>							
<b>Non Profit Institutions</b>	<b>427 957</b>			<b>113 203</b>		<b>113 203</b>	<b>541 160</b>
Section 20 schools							
Section 21 Schools: LTSM	48 962			48 193		48 193	97 155
Section 21 Schools: Utilities	66 748			67 855		67 855	134 603
Section 21 Schools: Maint	1 362			1 387		1 387	2 749
School Support (Oth Educ Instit)	310 885			(4 232)		(4 232)	306 653
<b>Households</b>	<b>21 533</b>						<b>21 533</b>
H/H empl s/ben: Leave gratuity	21 533						21 533
<b>Capital</b>							
<b>Non Profit Institutions</b>	<b>22 219</b>						<b>22 219</b>
School Support (Oth Educ Instit)	22 219						22 219
<b>3. Independent School Subsidies</b>	<b>14 913</b>			<b>11 172</b>		<b>11 172</b>	<b>26 085</b>
<b>Current</b>							
<b>Non Profit Institutions</b>	<b>14 913</b>			<b>11 172</b>		<b>11 172</b>	<b>26 085</b>
School Support (Oth Educ Instit)	14 913			11 172		11 172	26 085
<b>4. Public Special School Education</b>	<b>51 964</b>						<b>51 964</b>
<b>Capital</b>							
<b>Non Profit Institutions</b>	<b>51 627</b>						<b>51 627</b>
School Support (Oth Educ Instit)	51 627						51 627
<b>Households</b>	<b>337</b>						<b>337</b>
H/H empl s/ben: Leave gratuity	337						337
<b>5. Further Education and Training</b>							
<b>Current</b>							
<b>Non Profit Institutions</b>							
School Support (Oth Educ Instit)							
<b>6. Adult Basic Education and Training</b>				<b>800</b>		<b>800</b>	<b>800</b>
<b>Current</b>							
<b>Non Profit Institutions</b>				<b>800</b>		<b>800</b>	<b>800</b>
School Support (Oth Educ Instit)				800		800	800
<b>Households</b>							
H/H empl s/ben: Leave gratuity							
<b>7. Early Childhood Development</b>	<b>9 241</b>						<b>9 241</b>
<b>Current</b>							
<b>Non Profit Institutions</b>	<b>9 241</b>						<b>9 241</b>
School Support (Oth Educ Instit)	9 241						9 241
<b>Households</b>							
H/H empl s/ben: Leave gratuity							
<b>8. Infrastructure Development</b>	<b>37 644</b>			<b>91 000</b>		<b>91 000</b>	<b>128 644</b>
<b>Capital</b>							
<b>Non Profit Institutions</b>	<b>37 644</b>			<b>91 000</b>		<b>91 000</b>	<b>128 644</b>
School Support (Oth Educ Instit)	37 644			91 000		91 000	128 644
<b>9. Auxiliary and Associated Services</b>	<b>554 884</b>			<b>(25 879)</b>	<b>(50 207)</b>	<b>(76 086)</b>	<b>478 798</b>
<b>Current</b>							
<b>Non Profit Institutions</b>	<b>17 036</b>			<b>15 000</b>		<b>15 000</b>	<b>32 036</b>
School Support (Oth Educ Instit)	17 036			15 000		15 000	32 036
<b>Households</b>	<b>510 126</b>			<b>(25 000)</b>	<b>(50 207)</b>	<b>(75 207)</b>	<b>434 919</b>
H/H empl s/ben: Leave gratuity	126						126
H/H bursaries (non employees)	510 000			(25 000)	(50 207)	(75 207)	434 793
<b>Departmental Agencies and Accounts</b>	<b>27 722</b>			<b>(15 879)</b>		<b>(15 879)</b>	<b>11 843</b>
Skills Development Levy	27 722			(15 881)		(15 881)	11 841
Com: licences (radio & Tv)				2		2	2
<b>Capital</b>							
<b>Non Profit Institutions</b>							
School Support (Oth Educ Instit)							
<b>Total transfers and subsidies</b>	<b>1 142 263</b>			<b>190 924</b>	<b>(50 207)</b>	<b>140 717</b>	<b>1 282 980</b>

## Vote 6 - Department of Education

Table 6.6: Summary of changes to conditional grants: Provinces

R thousand	2014/15							Adjusted appropriation
	Main appropriation	Adjustment appropriation					Total adjustment appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other adjustments		
<b>2. Public Ordinary School Education</b>	<b>332 276</b>	<b>709</b>					<b>709</b>	<b>332 985</b>
National School Nutrition Programme	299 205	212					212	299 417
Dinaledi Schools Grant	8 006	497					497	8 503
Social Sector EPWP incentive grant for provinces	2 846							2 846
Technical Secondary Schools Recapitalisation Grant	22 219							22 219
<b>4. Public Special School Education</b>	<b>18 358</b>							<b>18 358</b>
OSD for therapists	18 358							18 358
<b>5. Further Education and Training</b>	<b>185 111</b>							<b>185 111</b>
Futher Education and Training College Sector Grant	185 111							185 111
<b>8. Infrastructure Development</b>	<b>556 729</b>	<b>54 392</b>					<b>54 392</b>	<b>611 121</b>
Education Infrastructure Grant	554 313	53 268					53 268	607 581
EPWP Integrated Grant to Provinces for Infrastructure	2 416	1 124					1 124	3 540
<b>9. Auxiliary and Associated Services</b>	<b>11 570</b>	<b>1 116</b>					<b>1 116</b>	<b>12 686</b>
HIV/Aids (Life Skills Education) Grant	11 570	1 116					1 116	12 686
<b>Total conditional grant: Province</b>	<b>1 104 044</b>	<b>56 217</b>					<b>56 217</b>	<b>1 160 261</b>

## Changes to Revenue Enhancement Allocation, including Earmarked funds

Table 6.7: Summary of changes to Revenue Enhancement Allocation per programme

R thousand	2014/15							Adjusted appropriation
	Main appropriation	Adjustment appropriation					Total adjustment appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other adjustments		
<b>8. Infrastructure Development</b>	<b>16 660</b>			(11 996)			(11 996)	<b>4 664</b>
Current Expenditure								
Goods and Services				1 867			1 867	1 867
Maintenance and Repairs				1 867			1 867	1 867
Capital								
Transfers and Subsidies	16 660			(16 660)			(16 660)	
School support (Other Educ instit)	16 660			(16 660)			(16 660)	
Buildings and Fixed structure				2 797			2 797	2 797
Rehabilitation, renovations and refurbishments				2 797			2 797	2 797
<b>Total conditional grant: Province</b>	<b>16 660</b>			<b>(11 996)</b>			<b>(11 996)</b>	<b>4 664</b>

Table 6.8 Summary of changes Provincial Earmarked funds per programme

R thousand	2014/15							Adjusted appropriation
	Main appropriation	Adjustment appropriation					Total adjustment appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other adjustments		
<b>9. Auxiliary and Associated Services</b>	<b>510 000</b>				(75 207)		(75 207)	<b>434 793</b>
Current								
Transfers and Subsidies	510 000				(75 207)		(75 207)	434 793
H/H: Bursaries non employees	510 000				(75 207)		(75 207)	434 793
<b>Total conditional grant: Province</b>	<b>510 000</b>				<b>(75 207)</b>		<b>(75 207)</b>	<b>434 793</b>

Table 6.9 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Programme	Date Captured on	Total project cost	Expenditure to date from previous	Professional fees budget	Cons/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15	Captured on EPR&E Yes/..	EPWP Yes/No
						Project duration											
						Date: Start	Date: Finish										
1. New and replacement assets (R thousand)																	
1	Bloemfontein: Matla	Mangaung	Motho	EIG	Admin, Hall, MC, Hall	May-11	Aug-13	8	Apr 2014	38 400	26 164	1 434	5 737	2 501	Yes	Yes	No
2	Sasburg:Kopanelang Thuto	Metsimaholo	Fezile Dabi	EIG	24 CR, Admin, Hall, MC	Jul-11	Jun-13	8	Apr 2014	22 800	14 671	1 215	4 861	-3 524	Yes	No	No
3	Sasburg:Kathobofha-Sakubusha	Metsimaholo	Fezile Dabi	EIG	24 CR, Admin, Hall, MC	Jun-11	Sep-13	8	Apr 2014	26 100	19 905	1 023	4 091	-2 966	Yes	No	No
4	Bohaville:Letoto Naledi	Nala	Lejweleputswa	EIG	30 CR, Admin, Hall, MC	Jun-11	Jun-13	8	Apr 2014	36 800	20 700	1 913	7 652	4 000	Yes	No	No
5	Welkom: Hanpark P/S	Tswelopele	Lejweleputswa	EIG	24 CR, Admin, Hall, MC	Nov-12	Nov-13	8	Apr 2014	48 000	2 420	2 560	10 239	-6 016	Yes	No	No
6	Memel: Umcebo P/S	Nala	Thabo Mofutsanyana	EIG	24 CR, Admin, Hall, MC	Nov-12	Nov-13	8	Apr 2014	48 000	12 713	2 124	8 496	-1 912	Yes	No	No
7	Bainsvlei: New hostel	Matjhabeng	Motho	EIG	New hostel for 300 learners	Oct-11	Mar-15	8	Apr 2014	55 900	29 465	1 808	7 234	5 000	Yes	No	No
8	Befhelele: Rehobotswe: (Bohokong P/S)	Phumelela	Thabo Mofutsanyana	EIG	New mobile school - new building commence 15/16	Sep-13	Dec-13	8	Apr 2014	52 000		1 400	5 600	-3 990	Yes	No	No
9	Botshabelo: Tsholo P/S	Mangaung	Motho	EIG	New school	Sep-13	Mar-15	8	Apr 2014	45 000		1 400	5 600	-3 675	Yes	No	No
10	Sasburg: Amelia	Dhlabeng	Fezile Dabi	EIG	New school	Apr-14	Mar-17	8	Apr 2014	40 000	4 307	1 494	5 976	-4 333	Yes	No	No
11	Vijenskrone: Dr Sello	Mangaung	Fezile Dabi	EIG	New school	Apr-17	Mar-19	8	Apr 2014	48 000					Yes	No	No
12	Hertzogville: Malebogo	Whole province	Lejweleputswa	EIG	New school	Apr-17	Mar-19	8	Apr 2014	40 000		1 400	5 600	-4 060	Yes	No	No
13	Welkom: Albertina Sisulu	Mangaung	Lejweleputswa	EIG	New school	Apr-14	Mar-17	8	Apr 2014	45 000		1 400	5 600	-4 060	Yes	No	No
14	Bloemfontein: Grassland	Ngwathe	Motho	EIG	New school	Apr-14	Mar-18	8	Apr 2014	45 000		1 500	6 000	-4 350	Yes	No	No
15	Bloemfontein:Dinaweng	Mangaung	Motho	EIG	New school	Apr-15	Mar-19	8	Apr 2014	45 000		1 600	6 400	-4 640	Yes	No	No
16	Bloemfontein: Phase 7	Mangaung	Motho	EIG	New school	Apr-15	Mar-19	8	Apr 2014	40 000		1 600	6 400	-4 640	Yes	No	No
17	Warden: Siindokuhle		Thabo Mofutsanyana	EIG	New school	Apr-15	Mar-19	8	Apr 2014	40 000					Yes	No	No
18	Vrede: Thembafile		Thabo Mofutsanyana	EIG	New school	Apr-15	Mar-19	8	Apr 2014	40 000					Yes	No	No
19	Final accounts/fees	FS: Whole Province	FS: Whole Province	EIG	To be identified	Apr-14	Mar-17	8	Apr 2014	15 000			3 000	2 000	Yes	No	No
20	Thaba Nchu: Boitumelong Hostel	Mangaung	Motho	EIG	Hostel	Apr-14	Nov-15	8	Apr 2014	5 000		800	3 200		Yes	No	No
Total New replacement assets										776 000	130 345	24 671	101 686	13 501	-48 166		



No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TD)	Total budget 2014/15 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish									
2. Upgrades and additions (R thousand)																
1	Halls	FS: Whole Province	FS: Whole Province	EIG	New Halls	Nov-11	Dec-16	8	Apr 2014	190 500	16 600	0	15 000	-4 500	Yes	No
2	Laboratories etc.	FS: Whole Province	FS: Whole Province	EIG	new Laboratories & media centres	Jan-13	Mar-16	8	Apr 2014	76 800	0	0	10 478	-2 542	Yes	No
3	Administration Blocks	FS: Whole Province	FS: Whole Province	EIG	New Admin blocks	Nov-11	Mar-16	8	Apr 2014	268 900	8 497	8 087	32 349	-11 740	Yes	No
4	Additional classrooms	FS: Whole Province	FS: Whole Province	EIG	Additional classrooms	Nov-12	Mar-16	8	Apr 2014	220 500	7 300	6 520	26 079	-13 675	Yes	No
5	Abuloni Facilities - Educators& Learner	FS: Whole Province	FS: Whole Province	EIG	Educator & learner toiletblocks	Jan-13	Mar-16	8	Apr 2014	117 240	250	7 309	29 224	-14 508	Yes	No
6	Connection to Municipality Sewerlines	FS: Whole Province	FS: Whole Province	EIG	Educator & learner toiletblocks	Jan-13	Mar-16	8	Apr 2014			0	10 500	-2 419	Yes	No
7	Special Schools	FS: Whole Province	FS: Whole Province	EIG	Upgrading of special schools	Jun-11	Mar-16	8	Apr 2014	125 886	53 000	6 455	25 818	-990	Yes	No
8	Grade R Facilities	FS: Whole Province	FS: Whole Province	EIG	New grade R classrooms	Jan-13	Mar-16	8	Apr 2014	335 200	19 607	10 877	43 506	-19 128	Yes	No
9	Mobile Classrooms	FS: Whole Province	FS: Whole Province	EIG	New mobile classrooms	Apr-13	Mar-16	8	Apr 2014	10 000	0	0	3 000	5 000	Yes	No
10	Unacceptable structures	FS: Whole Province	FS: Whole Province	EIG	Upgrading of unacceptable structures	Jun-11	Mar-16	8	Apr 2014	56 600	11 900	2 163	8 653	4 000	Yes	No
11	Nutrition Centres	FS: Whole Province	FS: Whole Province	EIG	New kitchens	Jan-13	Mar-16	8	Apr 2014	36 450	0	0	19 950	-6 098	Yes	No
12	Perimetre Fencing	FS: Whole Province	FS: Whole Province	EIG	Upgrading of fences	Jan-13	Mar-16	8	Apr 2014	0	0	0	11 993	-5 858	Yes	No
13	PM Fees, Final accounts fees	FS: Whole Province	FS: Whole Province	EIG	Payment of PSP's	Nov-12	Mar-16	8	Apr 2014	0	0	0	5 000	10 000	Yes	No
14	Blomfontein: Eureka Hostel Exam Pre	Mofheo	Mofheo	EIG	Upgrade of facilities	Jun-11	Mar-15	8	Apr 2014	6 000	0	0	500			
15																
Total Upgrades and additions									1 444 086	117 154	41 411	242 060	19 000	-81 438		

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish									
13. Rehabilitation, renovations and refurbishments (R thousand)																
1	Hostels	FS: Whole Province	FS: Whole Province	EIG	Renovations at Hostels	Oct-11	Mar-15	8	54 050	15 800	4 100	16 400	-7 910	Yes	No	
2	Electrical Renovations & upgrades	FS: Whole Province	FS: Whole Province	EIG	Electrical renovations	Apr-13	Mar-16	8	12 000			3 600		Yes	No	
3	Renovations	FS: Whole Province	FS: Whole Province	EIG	General renovations to existin schools	Apr-13	Mar-16	8	232 500		8 934	33 320	-14 812	Yes	No	
4	Renovations	FS: Whole Province	FS: Whole Province	EPWP	General renovations to existin schools	Apr-13	Mar-16	8				2 416	1 124	Yes	Yes	
5	Math Labs	FS: Whole Province	FS: Whole Province	EIG	600 Math Labs over MTEF	Apr-13	Mar-16	8			6 172	24 688	15 453	Yes	No	
6	Math Labs: Replacement Mobiles	FS: Whole Province	FS: Whole Province	EIG	Mobile replacements	Aug-12	Mar-16	8	352 400	23 000				Yes	No	
7	Sbrmdanages	FS: Whole Province	FS: Whole Province	EIG	As reported	Apr-13	Mar-16	8	29 500			7 287		Yes	No	
8	Farm schools- Refurbishments	FS: Whole Province	FS: Whole Province	EIG	To be identified	Jan-13	Mar-16	8	26 000		600	2 400		Yes	No	
9	Facilities Management	FS: Whole Province	FS: Whole Province	EIG	To be identified	Jan-13	Mar-16	8	13 000		800	3 200	1 000	Yes	No	
10	Welkom: Kopano Nurses Home	Matlabeng	Lejweleputswa	IEA	Renovations, maintenance of flls and	1 April 2014	31 March 2015	8					1 740	Yes	No	
11	Qwa Qwa: T'shiya ERC	Matlabeng	Thabo Mofutsanyana	IEA	Renovations & Roof repairs	1 April 2014	31 March 2015	8					652	Yes	No	
12	Qwa Qwa: Wisestek/PS	Matlabeng	Thabo Mofutsanyana	IEA	Conversion into offices and electrical w	1 April 2014	31 March 2015	8					405	Yes	No	
Total rehabilitation, renovations and refurbishments									719 450	38 800	20 606	93 311	20 374	-22 722		
14. Maintenance and repairs (R thousand)																
1	Day to day maintenance	FS: Whole Province	FS: Whole Province	EIG	Schools	Apr-14	Mar-15	8	6 400	676		4 000	14 000		Yes	No
2	All districts and Head Office	Several	Several	IEA	Repair work i.e. Electrical, plumbing, general, etc. - FOR NEW/URGENT SERVICES	Apr-14	Mar-15	8					1 867		Yes	No
Total Maintenance and repairs									6 400	676		4 000	15 867			
15. Infrastructure transfers capital																
1	Partnerships	FS: Whole Province	FS: Whole Province	EIG	Halls, Hostel renovations, etc. though partnerships	Apr-14	Mar-16	8	71 150			14 984	66 660		Yes	No
2	Partnerships	FS: Whole Province	FS: Whole Province	IEA	Halls, Hostel renovations, etc. though partnerships	Apr-14	Mar-16	8				16 660	-16 660	Yes	No	
3	Kagiso & Shanduka Trust	FS: Whole Province	FS: Whole Province	EIG	Various	Apr-14	Mar-17	8	200 000			6 000	40 000		Yes	No
4	School Infrastructure performance incentives	FS: Whole Province	FS: Whole Province	EIG	Various	Nov-14	Mar-16	8					1 000		NO	No
Total Infrastructure transfers capital									271 150			37 644	107 660	-16 660		
TOTAL									3 217 086	286 975	86 688	478 701	176 402	-169 006		

Table 6.10: Infrastructure Adjusted Appropriation

Infrastructure		Main Appropriation 2014/15	Increase/ Decrease	Adjusted Appropriation 2014/15
<b>New infrastructure assets</b>		126 357	(34 665)	91 692
<b>Existing infrastructure assets</b>		<b>401 388</b>	<b>(48 939)</b>	<b>352 449</b>
Maintenance and repair	Upgrading and additions	4 000	15 867	19 867
	Rehabilitation, renovations and refurbishment	283 471	(62 458)	221 013
Upgrading and additions	Maintenance and repair	113 917	(2 348)	111 569
Rehabilitation and refurbishment				
<b>Infrastructure transfers</b>		<b>37 644</b>	<b>91 000</b>	<b>128 644</b>
Current				-
Capital		37 644	91 000	128 644
<i>Capital infrastructure</i>		561 389	(8 471)	552 918
<i>Current infrastructure</i>		4 000	15 867	19 867
<b>Total Infrastructure</b>		<b>565 389</b>	<b>7 396</b>	<b>572 785</b>

VOTE 7

DEPARTMENT OF SOCIAL DEVELOPMENT

## VOTE 7

## Department of Social Development

## Adjusted budget summary

R thousand	2014/15			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>973 054</b>	<b>973 554</b>	<b>(7 795)</b>	<b>8 295</b>
<b>of which:</b>				
Current payments	583 476	579 176	(4 300)	
Transfers and subsidies	371 379	367 884	(3 495)	
Payments for capital assets	18 199	26 494		8 295
Payments for financial assets				
<b>Revenue Fund</b>	<b>973 054</b>	<b>973 554</b>	<b>(7 795)</b>	<b>8 295</b>
<b>Executive Authority</b>	MEC for Social Development			
<b>Accounting Officer</b>	Director General : Social Development			
<b>Website address</b>	<a href="http://www.socdev.fs.gov.za">www.socdev.fs.gov.za</a>			

## Aim

To strengthen and support communities to meet the human and social needs of the vulnerable people of the Free State through an inter-sectorial and integrated developmental service

## Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2014

Table 7.1: Adjusted Estimates

R'thousand	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1.Administration	218 405			420			218 825
2.Social Welfare Services	169 273			23 270		500	193 043
3.Children and Families	359 034			(25 795)			333 239
4.Restorative Services	114 740			2 105			116 845
5.Development and Research	111 602						111 602
<b>Subtotal</b>	<b>973 054</b>					<b>500</b>	<b>973 554</b>

**Economic classification****Table 7.1 (b): Adjusted Estimates per economic classification**

Programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					
		Roll-overs	Unforeseeable / Virements and shifts unavoidable	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Economic classification							
Current payments	583 476		(4 800)		500	(4 300)	579 176
Compensation of employees	503 086		(5 500)			(5 500)	497 586
Goods and Services	80 390		700		500	1200	81 590
Interest and rent on land							
Transfers and subsidies to;	371 379		(3 495)			(3 495)	367 884
Provinces and municipalities							
Departmental agencies and account	5 021		4			4	5 025
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	366 020		(3 495)			(3 495)	362 525
Households	338		(4)			(4)	334
Payments for capital assets	18 199		8 295			8 295	26 494
Buildings and other fixed structures	13 828		8 295			8 295	22 123
Machinery and equipment	4 371						4 371
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	973 054				500	500	973 554

**Programme 1: Administration****Table 7.1.1: Adjusted Estimates**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1.Office of the MEC	8 527			366			366	8 893
2.Corporate Management Services	115 997			3 833			3 833	119 830
3.District Management	93 881			(3 779)			(3 779)	90 102
<b>Total</b>	<b>218 405</b>			<b>420</b>			<b>420</b>	<b>218 825</b>
<b>Economic classification</b>								
<b>Current payments</b>	214 372			420			420	214 792
Compensation of employees	157 173							157 173
Goods and Services	57 199			420			420	57 619
Interest and rent on land								
<b>Transfers and subsidies to;</b>	276							276
Provinces and municipalities								
Departmental agencies and account	21			4			4	25
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	255			(4)			(4)	251
<b>Payments for capital assets</b>	3 757							3 757
Buildings and other fixed structures								
Machinery and equipment	3 757							3 757
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>218 405</b>			<b>420</b>			<b>420</b>	<b>218 825</b>

**Programme 2: Social Welfare Services****Table 7.1.2: Adjusted Estimates**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1.Management and Support	7 599			22 176			22 176	29 775
2.Services to Older Persons	99 960			1 226			1 226	101 186
3.Services to Persons with Disabilities	29 126			35			35	29 161
4.HIV/AIDS	32 588			(167)			(167)	32 421
5. Social Relief						500	500	500
<b>Total</b>	<b>169 273</b>			<b>23 270</b>		<b>500</b>	<b>23 770</b>	<b>193 043</b>
<b>Economic classification</b>								
<b>Current payments</b>	88 030			23 970		500	24 470	112 500
Compensation of employees	81 912			22 000			22 000	103 912
Goods and Services	6 118			1 970		500	2 470	8 588
Interest and rent on land								
<b>Transfers and subsidies to;</b>	81 009			(700)			(700)	80 309
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	80 937			(700)			(700)	80 237
Households	72							72
<b>Payments for capital assets</b>	234							234
Buildings and other fixed structures								
Machinery and equipment	234							234
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>169 273</b>			<b>23 270</b>		<b>500</b>	<b>23 770</b>	<b>193 043</b>



## Programme 3: Children and Families

Table 7.1.3: Adjusted Estimates

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Management and Support							
2. Care and Services to Families	18 394			(3 499)			14 895
3. Child Care and Protection	120 282			(20 343)			99 939
4. ECD and Partial Care	185 811			(2 313)			183 498
5. Child and Youth Care Centres	23 027			360			23 387
6. Community-Based Care Services for Children	11 520						11 520
<b>Total</b>	<b>359 034</b>			<b>(25 795)</b>			<b>333 239</b>
<b>Economic classification</b>							
<b>Current payments</b>	102 939			(23 000)			79 939
Compensation of employees	95 458			(22 000)			73 458
Goods and Services	7 481			(1 000)			6 481
Interest and rent on land							
<b>Transfers and subsidies to;</b>	255 973			(2 795)			253 178
Provinces and municipalities							
Departmental agencies and account	5 000						5 000
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	250 973			(2 795)			248 178
Households							
<b>Payments for capital assets</b>	122						122
Buildings and other fixed structures							
Machinery and equipment	122						122
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>359 034</b>			<b>(25 795)</b>			<b>333 239</b>

**Programme 4: Restorative Services****Table 7.1.4: Adjusted Estimates**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1.Management and Support								
2.Crime Prevention ad Support	69 329			(8 737)			(8 737)	60 592
3.Victim Empowerment	18 573			(3 530)			(3 530)	15 043
4.Substance Abuse, Prevention and Rehabilitation	26 838			14 372			14 372	41 210
<b>Total</b>	<b>114 740</b>			<b>2 105</b>			<b>2 105</b>	<b>116 845</b>
<b>Economic classification</b>								
<b>Current payments</b>	82 496			(6 190)			(6 190)	76 306
Compensation of employees	76 467			(5 500)			(5 500)	70 967
Goods and Services	6 029			(690)			(690)	5 339
Interest and rent on land								
<b>Transfers and subsidies to;</b>	20 196							20 196
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	20 196							20 196
Households								
<b>Payments for capital assets</b>	12 048			8 295			8 295	20 343
Buildings and other fixed structures	11 828			8 295			8 295	20 123
Machinery and equipment	220							220
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>114 740</b>			<b>2 105</b>			<b>2 105</b>	<b>116 845</b>

### Table 7.1.5: Adjusted Estimates

[illegible]

## Details of adjustments to Estimates of Provincial Revenue &amp; Expenditure 2014

## Roll-overs – R0

## Unforeseeable and unavoidable expenditure – R0

## Virements and shifts

Table 7.2: Details on virements and shifts within a department: Social Development

Programmes Summary - R'thousand

FROM:			TO:		
1. Administration			1. Administration		420
2. Social Welfare Services	(700)		2. Social Welfare Services		23 970
3. Children and Families	(25 795)		3. Children and Families		
4. Restorative Services	(6 190)		4. Restorative Services		8 295
5. Development and Research			5. Development and Research		
<b>Total</b>	<b>(32 685)</b>				<b>32 685</b>
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 3</b>		(22 000)	<b>Programme 2</b>		22 000
<b>Compensation of employees</b>	Correction of personnel expenditure in line with new Budget and Programme as well as organizational structure	(22 000)	<b>Compensation of employees</b>	Correction of personnel expenditure in line with new Budget and Programme as well as organizational structure	22 000
<b>Percentage of programme budget</b>		<b>6%</b>			<b>13%</b>
<b>Programme 3</b>		(2 795)	<b>Programme 4</b>		2 795
<b>Non profit institutions</b>	Increase of Infrastructure Enhancement for the payment of invoices	(2 795)	<b>Buildings and other fixed structures</b>	Increase of Infrastructure Enhancement for the payment of invoices	2 795
<b>Percentage of programme budget</b>		<b>1%</b>			<b>2%</b>
<b>Programme 4</b>		(5 500)	<b>Programme 4</b>		5 500
<b>Compensation of employees</b>	Increase of Infrastructure Enhancement for the payment of invoices	(5 500)	<b>Buildings and other fixed structures</b>	Increase of Infrastructure Enhancement for the payment of invoices	5 500
<b>Percentage of programme budget</b>		<b>5%</b>			<b>5%</b>
<b>Programme 4</b>		(420)	<b>Programme 1</b>		420
<b>Goods and Services</b>	Payment of the official launch of the Thabo Mofutsanyana Secure Care Centre	(420)	<b>Goods and Services</b>	Payment of the official launch of the Thabo Mofutsanyana Secure Care Centre	420
<b>Percentage of programme budget</b>					
<b>Programme 2</b>		(700)	<b>Programme 2</b>		700
<b>Non profit institutions</b>	Payment of transport of Older Persons to the Golden Games as well as outstanding invoices for services rendered to institutions	(700)	<b>Goods and Services</b>	Payment of transport of Older Persons to the Golden Games as well as outstanding invoices for services rendered to institutions	700
<b>Percentage of programme budget</b>					
<b>Programme 4</b>		(270)	<b>Programme 2</b>		270
<b>Goods and Services</b>	Payment of invoices for catering at the Institutions	(270)	<b>Goods and Services</b>	Payment of invoices for catering at the Institutions	270
<b>Percentage of programme budget</b>					
<b>Programme 3</b>		(1 000)	<b>Programme 2</b>		1 000
<b>Goods and Services</b>	Payment of invoices for catering at the Institutions	(1 000)	<b>Goods and Services</b>	Payment of invoices for catering at the Institutions	1 000
<b>Percentage of programme budget</b>					
<b>Total</b>		<b>(32 685)</b>			<b>32 685</b>

**Other adjustments – R500 000**

An amount of R500 000 has been allocated to the department for Social Relief of Distress.

**Amounts forming a direct charge against the Provincial Revenue Fund**

None

**Expenditure 2013/14 and preliminary expenditure 2014/15****Table 7.3 Expenditure trends: Social Development**

	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % of adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % of adjusted appropriation	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 % of adjusted appropriation
R thousand								
1. Administration	214 442	113 247	52.81%	217 418	101.39%	218 825	109 845	50.20%
2.Social Welfare Services	641 180	317 952	49.59%	634 147	98.90%	193 043	96 019	49.74%
3.Children and Families						333 239	155 542	46.68%
4.Restorative Services						116 845	51 517	44.09%
5.Development and Research	109 474	52 868	48.29%	111 146	101.53%	111 602	44 920	40.25%
<b>Subtotal</b>	<b>965 096</b>	<b>484 067</b>	<b>50.16%</b>	<b>962 711</b>	<b>99.75%</b>	<b>973 554</b>	<b>457 843</b>	<b>47.03%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>965 096</b>	<b>484 067</b>	<b>50.16%</b>	<b>962 711</b>	<b>99.75%</b>	<b>973 554</b>	<b>457 843</b>	<b>47.03%</b>
<b>Current payments</b>	<b>554 413</b>	<b>276 768</b>	<b>49.92%</b>	<b>547 905</b>	<b>98.83%</b>	<b>579 176</b>	<b>276 197</b>	<b>47.69%</b>
Compensation of employees	464 001	228 722	49.29%	463 814	99.96%	497 586	236 455	47.52%
Goods and services	90 412	48 046	53.14%	84 091	93.01%	81 590	39 742	48.71%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>378 296</b>	<b>189 415</b>	<b>50.07%</b>	<b>376 795</b>	<b>99.60%</b>	<b>367 884</b>	<b>168 635</b>	<b>45.84%</b>
Provinces and municipalities								
Departmental agencies and accounts	20			12 500	62500.00%	5 025	25	0.50%
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	377 952	188 318	49.83%	362 848	96.00%	362 525	167 732	46.27%
Households	324	1 097	338.58%	1 447	446.60%	334	878	262.87%
<b>Payments for capital assets</b>	<b>32 387</b>	<b>17 884</b>	<b>55.22%</b>	<b>37 873</b>	<b>116.94%</b>	<b>26 494</b>	<b>13 011</b>	<b>49.11%</b>
Buildings and other fixed structures	28 000	15 323	54.73%	28 000	100.00%	22 123	11 603	52.45%
Machinery and equipment	4 387	2 561	58.38%	9 873	225.05%	4 371	1 408	32.21%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
<b>Payments for financial assets</b>				<b>138</b>				
<b>Total</b>	<b>965 096</b>	<b>484 067</b>	<b>50.16%</b>	<b>962 711</b>	<b>99.75%</b>	<b>973 554</b>	<b>457 843</b>	<b>47.03%</b>

**Main expenditure trends for the first half of the 2014/15 financial year**

Expenditure in the first six months of 2014/2015 amounted to R 457.843 million or 47.05 percent of the adjusted appropriation of R973.554 million. The overall expenditure of the department in the first six months of 2014/2015 as compared to the same period in 2013/2014 decreased by 3.11 percent.

In an effort to provide clarity on the different services delivered by social development, the sector reviewed its old Budget and Programme structure and a new structure was introduced from the 2014/15 financial year.

Under the old budget structure provincial departments had three programmes with social welfare services all grouped under Programme 2 through ten sub-programmes. From the current year, the old Programme 2 has been split into three new programmes, namely Programme 2 - Social Welfare Services, Programme 3 - Children and Families and Programme 4 - Restorative Services.

#### **Programme 1: Administration**

Expenditure in the first six months of 2014/2015 amounted to R109.845 million or 50.20 percent of the adjusted appropriation of R218.825 million compared against expenditure of R113.247 million or 52.81 percent of the adjusted appropriation of R214.442 million in 2013/2014.

#### **Programme 2: Social Welfare Services**

Expenditure in the first six months of 2014/2015 amounted to R96.019 million or 49.87 percent of the adjusted appropriation of R193.043 million.

#### **Programme 3: Children and Families**

Expenditure in the first six months of 2014/2015 amounted to R155.542 million or 46.68 percent of the adjusted appropriation of R333.239 million.

#### **Programme 4: Restorative Services**

Expenditure in the first six months of 2014/2015 amounted to R51.517 million or 43.09 percent of the adjusted appropriation of R116.845 million.

#### **Programme 5: Development and Research**

Expenditure in the first six months of 2014/2015 amounted to R44.920 million or 40.25 percent of the adjusted appropriation of R111.602 million compared against expenditure of R52.868 million or 48.29 percent of the adjusted appropriation of R109.474 million in 2013/2014.

### **Economic Classification**

#### **Current Payments**

Expenditure in the first six months of 2014/15 amounted to R276.197 million or 47.73 percent of the adjusted appropriation of R578.676 million compared against expenditure of R276.768 million or 49.92 percent of the adjusted appropriation of R554.413 million in 2013/2014.

#### **Transfers and subsidies**

Expenditure in the first six months of 2014/15 amounted to R168.635 million or 45.84 percent of the adjusted appropriation of R367.884 million compared against expenditure of R189.415 or 50.07 percent of the adjusted appropriation of R378.269 million in 2013/2014.

## Payments for capital assets

### Machinery & Equipment

Expenditure on Machinery & Equipment in the first six months of 2014/15 amounted to R1.408 million or 32.21 percent of the adjusted appropriation of R4.371 million compared against expenditure of R2.561 million or 58.38 percent of the adjusted appropriation of R4.387 million in 2013/2014.

### Buildings and Other Fixed Structures

Expenditure on Buildings and Other Fixed Structures in the first six months of 2014/15 amounted to R11.603 million or 52.45 percent of the adjusted appropriation of R22.123 million compared against expenditure of R15.323 million or 54.73 percent of the adjusted appropriation of R28.000 million in 2013/2014.

## Departmental receipts

Table 7.4: Revenue trends: Social Development

R thousand	2013/14					2014/15			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % of adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 % of adjusted estimate
Departmental receipts	1 378	1 164	84.47%	1 762	127.87%	1 455	1 652	852	51.57%
Tax receipts									
Sales of goods and services other than Transfers received	578	303	52.42%	607	105.02%	610	600	304	50.67%
Fines, penalties and forfeits									
Interest, dividends and rent on land	1	2	200.00%	51	5100.00%	1	8	3	37.50%
Sales of capital assets									
Financial transactions in assets and liabilities	799	859	107.51%	1 104	138.17%	844	1 044	545	52.20%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>1 378</b>	<b>1 164</b>	<b>84.47%</b>	<b>1 762</b>	<b>127.87%</b>	<b>1 455</b>	<b>1 652</b>	<b>852</b>	<b>51.57%</b>

## Main departmental revenue trends for the first half of 2013/14

The collection of revenue in the first six month of 2014/2015 amounted to R0.852 million or 51.57 percent of the adjusted appropriation of R1.652 million compared against the collection of R1.164 million or 84.47 percent of the adjusted appropriation of R1.378 million in 2013/2014.

## Changes to transfers and subsidies, including conditional grants

Table 7.5 Summary of changes to transfers and subsidies per programme: Social Development

		2014/15						
R thousand	Main appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments		
<b>2. Social Welfare Services</b>	<b>80 937</b>			(700)			(700)	<b>80 237</b>
<b>Current</b>								-
Non profit institutions	80 937			(700)			(700)	<b>80 237</b>
<b>3. Children and Families</b>	<b>250 973</b>			(2 795)			(2 795)	<b>248 178</b>
<b>Current</b>								-
Non profit institutions	250 973			(2 795)			(2 795)	<b>248 178</b>
<b>Total transfers and subsidies</b>	<b>331 910</b>			(3 495)			(3 495)	<b>328 415</b>

Table 7.6: Summary of changes to conditional grants :Social Development

		2014/15						
R thousand	Main appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
<b>4. Restorative Services</b>	<b>2 000</b>							<b>2 000</b>
Substance Abuse Treatment Grant	2 000							2 000
<b>5. Development and Research</b>	<b>2 000</b>							<b>2 000</b>
EPWP Integrated Grant to Provinces for Infrastructure	2 000							2 000
<b>5. Development and Research</b>	<b>3 694</b>							<b>3 694</b>
Social Sector EPWP Incentive Grant	3 694							3 694
<b>Total conditional grants: Social Development</b>	<b>7 694</b>							<b>7 694</b>



## Revised Infrastructure project list

Table 7.7 Revised infrastructure project list: Social Development

No.	Project name	Municipality	Region / district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const / maint budget	Total budget 2014/15 (TO)	Total budget 2013/14 (FROM)	Captured on EPR&E Yes / No	EPWP Yes/No
						Date: Start	Date: Finish									
1. New and replacement assets (R thousand)																
1	Secure Care	Thabo Mofutsanyana	Thabo Mofutsanyana	Infrastructure Enhancement	Secure Care C	2007	2014	4	118 635	84 455		8 295	8 295		Yes	No
Total New replacement assets																
												8 295	8 295			

Table 7.8: Summary of Adjusted Appropriation Infrastructure: Social Development

Infrastructure	Main Appropriation 2014/15	Increase/ Decrease	Adjusted Appropriation 2014/15
<b>New infrastructure assets</b>	9 828	8 295	18 123
<b>Existing infrastructure assets</b>			
Maintenance and repair			
Upgrading and additions			
Rehabilitation and refurbishment			
<b>Infrastructure transfers</b>			
Current			
Capital			
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Total Infrastructure</b>	<b>9 828</b>	<b>8 295</b>	<b>18 123</b>

**VOTE 8**

**DEPARTMENT OF COOPERATIVE  
GOVERNANCE AND TRADITIONAL AFFAIRS**

## Vote 8

## Department of 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>341 625</b>	<b>371 625</b>	<b>(1 325)</b>	<b>31 325</b>
<b>of which:</b>				
Current payments	274 991	275 266	(1 325)	1 600
Transfers and subsidies	63 160	91 736		28 576
Payments for capital assets	3 474	4 623		1 149
Payments for financial assets				
<b>Direct charge against the Provincial Revenue Fund</b>	<b>341 625</b>	<b>371 625</b>	<b>(1 325)</b>	<b>31 325</b>
<b>Executive Authority</b>	<b>MEC for Cooperative Governance and Traditional Affairs &amp; Human Settlements</b>			
<b>Accounting Officer</b>	<b>Head of the Department: Cooperative Governance and Traditional Affairs</b>			
<b>Website address</b>	<a href="http://www.cogta.fs.gov.za">www.cogta.fs.gov.za</a>			

## Aim

Coordinated a sustainable service delivery at the Local Government level.

## Changes to programme purposes, objectives and measures

None

## Adjusted Estimates of Provincial Expenditure 2014

Table 8.1: Adjusted Estimates

Programme	2014/15							
		Adjustments Appropriation						
R' thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Administration	110 123			(2 840)			(2 840)	107 283
2. Local Governance	114 784			(8 270)		18 200	9 930	124 714
3. Development and Planning	72 892			10 710		11 800	22 510	95 402
4. Traditional Institutional Management	34 400			750			750	35 150
5. House of Traditional Leaders	9 426			(350)			(350)	9 076
Subtotal	341 625					30 000	30 000	371 625

## Economic classification

Table 8.1(b): Adjusted Estimates

Programme		2014/15						
R' thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Economic classification								
Current payments	274 991			(1 325)		1 600	275	275 266
Compensation of employees	174 285			1 200		1 600	2 800	177 085
Goods and Services	100 706			(2 526)			(2 526)	98 180
Interest and rent on land				1			1	1
Transfers and subsidies to;	63 160			176		28 400	28 576	91 736
Provinces and municipalities	60 525			439		28 400	28 839	89 364
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 638			(1 250)			(1 250)	388
Households	997			987			987	1 984
Payments for capital assets	3 474			1 149			1 149	4 623
Buildings and other fixed structures								
Machinery and equipment	3 474			1 149			1 149	4 623
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total	341 625					30 000	30 000	371 625

**Programme 1: Administration**

Table 8.1.1: Adjusted Estimates

Subprogramme		2014/15				
R' thousand	Main appropriation	Adjustments Appropriation				Total adjustment appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent Other adjustments	
1.Office of the MEC	10 122			962		962
2.Corporate Services	100 001			(3 802)		(3 802)
<b>Subtotal</b>	<b>110 123</b>			<b>(2 840)</b>		<b>(2 840)</b>
<b>Direct charge against the Provincial Revenue Fund</b>						
Item						
<b>Total</b>	<b>110 123</b>			<b>(2 840)</b>		<b>(2 840)</b>
<b>Economic classification</b>						
<b>Current payments</b>	<b>108 099</b>			<b>(4 552)</b>		<b>(4 552)</b>
Compensation of employees	56 838					
Goods and Services	51 261			(4 553)		(4 553)
Interest and rent on land				1		1
<b>Transfers and subsidies to;</b>	<b>182</b>			<b>532</b>		<b>532</b>
Provinces and municipalities						
Departmental agencies and account						
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households	182			532		532
<b>Payments for capital assets</b>	<b>1 842</b>			<b>1 180</b>		<b>1 180</b>
Buildings and other fixed structures						
Machinery and equipment	1 842			1 180		1 180
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
<b>Payments for financial assets</b>						
<b>Total</b>	<b>110 123</b>			<b>(2 840)</b>		<b>(2 840)</b>

**Programme 2: Local Governance**

Table 8.1.2: Adjusted Estimates

Subprogramme		2014/15					
R' thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Municipal Administration	19 424			201			19 625
2. Municipal Finance	71 286			(3 850)		18 200	85 636
3. Public Participation	18 040			(4 620)			13 420
4. Capacity Development	6 034			(1)			6 033
<b>Subtotal</b>	<b>114 784</b>			<b>(8 270)</b>		<b>18 200</b>	<b>124 714</b>
<b>Direct charge against the Provincial Revenue Fund</b>							
Item							
<b>Total</b>	<b>114 784</b>			<b>(8 270)</b>		<b>18 200</b>	<b>124 714</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>79 144</b>			<b>(6 966)</b>		<b>1 600</b>	<b>73 778</b>
Compensation of employees	45 793					1 600	47 393
Goods and Services	33 351			(6 966)			26 385
Interest and rent on land							
<b>Transfers and subsidies to;</b>	<b>35 008</b>			<b>(1 364)</b>		<b>16 600</b>	<b>50 244</b>
Provinces and municipalities	33 642					16 600	50 242
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	1 200			(1 200)			
Households	166			(164)			2
<b>Payments for capital assets</b>	<b>632</b>			<b>60</b>			<b>692</b>
Buildings and other fixed structures							
Machinery and equipment	632			60			692
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>114 784</b>			<b>(8 270)</b>		<b>18 200</b>	<b>124 714</b>

**Programme 3: Development and Planning**

Table 8.1.3 Adjusted Estimates

Subprogramme		2014/15					
R' thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation
1. Spatial Planning	21 416						21 416
2. Local Economic Development (LED)	5 768						5 768
3. Municipal Infrastructure	38 567			10 203		6 800	17 003
4. Disaster Management	7 141			507		5 000	5 507
<b>Subtotal</b>	<b>72 892</b>			<b>10 710</b>		<b>11 800</b>	<b>22 510</b>
<b>Direct charge against the Provincial Revenue Fund</b>							
Item							
<b>Total</b>	<b>72 892</b>			<b>10 710</b>		<b>11 800</b>	<b>22 510</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>45 163</b>			<b>9 779</b>			<b>9 779</b>
Compensation of employees	32 366			1 200			1 200
Goods and Services	12 797			8 579			8 579
Interest and rent on land							
<b>Transfers and subsidies to;</b>	<b>27 026</b>			<b>1 008</b>		<b>11 800</b>	<b>12 808</b>
Provinces and municipalities	26 883			439		11 800	12 239
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	143			569			569
<b>Payments for capital assets</b>	<b>703</b>			<b>(77)</b>			<b>(77)</b>
Buildings and other fixed structures							
Machinery and equipment	703			(77)			(77)
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>72 892</b>			<b>10 710</b>		<b>11 800</b>	<b>22 510</b>

95 402



## Programme 4: Traditional Institutional Management

Table 8.1.4 Adjusted Estimates

Subprogramme		2014/15						
R' thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
1. Traditional Institutional Administration	34 400			750			750	35 150
<b>Subtotal</b>	<b>34 400</b>			<b>750</b>			<b>750</b>	<b>35 150</b>
Direct charge against the Provincial Revenue Fund								
Item								
<b>Total</b>	<b>34 400</b>			<b>750</b>			<b>750</b>	<b>35 150</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>33 499</b>			<b>750</b>			<b>750</b>	<b>34 249</b>
Compensation of employees	31 630			750			750	32 380
Goods and Services	1 869							1 869
Interest and rent on land								
<b>Transfers and subsidies to;</b>	<b>648</b>							<b>648</b>
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	438			(50)			(50)	388
Households	210			50			50	260
<b>Payments for capital assets</b>	<b>253</b>							<b>253</b>
Buildings and other fixed structures								
Machinery and equipment	253							253
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>34 400</b>			<b>750</b>			<b>750</b>	<b>35 150</b>

**Programme 5: House of Traditional Leaders**

Table 8.1.5 Adjusted Estimates

Subprogramme		2014/15						
R' thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	
1.Administration of House of Traditional Leaders	9 426			(350)			(350)	9 076
<b>Subtotal</b>	<b>9 426</b>			<b>(350)</b>			<b>(350)</b>	<b>9 076</b>
Direct charge against the Provincial Revenue Fund								
Item								
<b>Total</b>	<b>9 426</b>			<b>(350)</b>			<b>(350)</b>	<b>9 076</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>9 086</b>			<b>(336)</b>			<b>(336)</b>	<b>8 750</b>
Compensation of employees	7 658			(750)			(750)	6 908
Goods and Services	1 428			414			414	1 842
Interest and rent on land								
<b>Transfers and subsidies to;</b>	<b>296</b>							<b>296</b>
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	296							296
<b>Payments for capital assets</b>	<b>44</b>			<b>(14)</b>			<b>(14)</b>	<b>30</b>
Buildings and other fixed structures							-	
Machinery and equipment	44			(14)			(14)	30
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>9 426</b>			<b>(350)</b>			<b>(350)</b>	<b>9 076</b>

## Virements and shifts

Table 8.2: Details on virements and shifts within a department

<b>Programmes Summary</b>					
1.Administration		(4 553)			1 713
2.Local Governance		(8 330)			60
3.Development and Planning		(77)			10 787
4.Traditional Institutional Management					750
5. House of Traditional Leaders		(764)			414
<b>Total</b>		<b>(13 724)</b>			<b>13 724</b>
<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>(4 553)</b>	<b>Programme 1</b>		<b>1 713</b>
<b>Goods and services</b>	Surplus funds of R 1,713 million shifted within programme 1 as operational expenditure and R 4,633 million to Prog 3, Municipal Infrastructure for outsourced contractors	(4 553)	<b>Goods and services</b>	Provision made for interest and rent on land	1
			<b>Transfer payments</b>	Provision made for households: donations and gifts and Household bursaries of non-employees	532
			<b>Machinery and equipment</b>	Provision made for financial leases other machinery: cell phones and office equipment	1 180
			<b>Programme 3</b>		<b>4 633</b>
			<b>Goods and services</b>	Funds re-allocated for outsourced contractors: maintenance and repair, non-infrastructure on sub-programme municipal infrastructure	4 633
<b>Percentage of programme budget</b>		<b>-4.13%</b>			
<b>Programme 2</b>		<b>(8 330)</b>	<b>Programme 1</b>		<b>1 793</b>
<b>Goods and services</b>	Funds earmarked for C/P: Bus & Adv Services: Communication was utilised for Contractors: Event Promoters of R1,500 million on Programme 1 (MEC) and R1,340 million for Municipal Conditional Grant at Programme 3, Free Basic Services. Funds to the amount of R3,200 million under Municipal Financial Performance Management, C/P: BUS & Advisory Services was utilised for Municipal Conditional Grant under Programme 3, Municipal Infrastructure. Surplus funds of R 1,030 million were utilised from venues and facilities under sub-programme Public Participation and defray to Free Basic Services under programme 3.	(6 966)	<b>Goods and services</b>	Funds to an amount of R 1,5 million utilised by the Office of the MEC for contractors, event promoters and R 293 thousand for Operating leases	1 793
<b>Transfer payments</b>	Funds earmarked for non profit institutions of R1,500 million utilised by Programme 1 R293 thousand for operating leases, by Programme 3 for leave gratuity and R400 thousand by the House of Traditional Leaders for operational costs.	(1 364)			
			<b>Programme 2</b>		<b>60</b>
			<b>Machinery and equipment</b>	Allocated for office equipment, furniture and computer equipment on payment of capital assets.	60
			<b>Programme 3</b>		<b>6 077</b>
			<b>Goods and services</b>	Funds to the amount of R 3,200 million re-allocated to Municipal Infrastructure and R2,370 million to Free Basic Services for outsourced contractors: maintenance and repair, non-infrastructure	5 570
			<b>Transfer payments</b>	Payment of leave gratuity by Disaster Management on Programme 3	507
			<b>Programme 5</b>		<b>400</b>
			<b>Transfer payments</b>	Provision made of R400,000 to the House of Traditional Leaders for operational costs.	400
<b>Percentage of programme budget</b>		<b>-7.28%</b>			
<b>Programme 3</b>		<b>(77)</b>	<b>Programme 3</b>		<b>10 787</b>
<b>Machinery and equipment</b>	Savings identified utilised for travel and subsistence within the programme	(77)	<b>Compensation</b>	Provision made with the appointment of interns as well as critical vacant posts	1 200
			<b>Goods and services</b>	From funds re-allocated, R 23,050 million was shifted to outsourced contractors: maintenance and repair, non-infrastructure	8 579
			<b>Transfer and subsidies</b>	Payment of leave gratuity by Disaster Management and municipal conditional grant	1 008
<b>Percentage of programme budget</b>		<b>-0.11%</b>			
<b>Programme 5</b>		<b>(764)</b>	<b>Programme 4</b>		<b>750</b>
<b>Compensation</b>	Savings on non-critical posts not filled utilised for the defrayment of Programme 4, Traditional Institutional Management	(750)	<b>Compensation</b>	For the defrayment of projected over-expenditure on allowances and salaries	750
<b>Machinery and equipment</b>	Savings identified utilised for travel and subsistence within the programme	(14)	<b>Programme 5</b>		<b>14</b>
			<b>Goods and services</b>	From funds re-allocated to contractors, stage and sound crew	14
<b>Percentage of programme budget</b>		<b>-8.11%</b>			
<b>Total</b>		<b>-13 724</b>			<b>13 724</b>

**Other adjustments:** **R 30.000 million**

**Additional Funding** **R 30.000 million**

***Viljoenskroon Access Road*** ***R10.000 million***

The Department is allocated an additional **R10.000 million** for construction of the Viljoenskroon access road. The construction of the access road commenced in August 2014 and is expected to be completed by end January 2015.

***Disaster Management*** ***R5.000 million***

The Department is also allocated an additional R5.000 million for Disaster management – MAP veld fires.

***Municipal Financial Support*** ***R15.000 million***

Limited funding to the Municipal Financial Support Directorate will affect client municipalities and strategic partnerships adversely. Key programmes of Government such as the Executive Council's Special Management Support Programme to vulnerable municipalities as well as Support and Capacity Building Programmes will be compromised. The serious decline in the financial fortunes of municipalities, the continuing state of the global economy and socio-economic factors in the Province necessitates that the said Programmes also be supplemented with financial injections to stabilise municipalities and allow an opportunity to restructure and re-negotiate their commitments and obligations.

An additional amount of **R15.000 million** is recommended for Municipal Financial Assistance of which **R6.500 million** is to augment funds already transferred by the Department to Mafube Local Municipality during the 2014/15 financial year.

**Expenditure 2013/14 and preliminary expenditure 2014/15**

Table 8.3 Expenditure trends

R thousand	2013/14					2014/15		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 13 - Mar 14 % adjusted appropriation	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 14 - Sep 14 % of adjusted appropriation
1. Administration	110 304	50 761	46.02%	95 430	86.52%	107 283	47 091	43.89%
2. Local Governance	105 130	58 389	55.54%	106 020	100.85%	124 714	52 959	42.46%
3. Development and Planning	66 739	16 003	23.98%	63 361	94.94%	95 402	42 990	45.06%
4. Traditional Institutional Management	24 917	13 847	55.57%	31 911	128.07%	35 150	16 465	46.84%
5. House of Traditional Leaders	9 451	5 410	57.24%	10 384	109.87%	9 076	4 071	44.85%
<b>Subtotal</b>	<b>316 541</b>	<b>144 410</b>	<b>45.62%</b>	<b>307 106</b>	<b>97.02%</b>	<b>371 625</b>	<b>163 576</b>	<b>44.02%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>316 541</b>	<b>144 410</b>	<b>45.62%</b>	<b>307 106</b>	<b>97.02%</b>	<b>371 625</b>	<b>163 576</b>	<b>44.02%</b>
<b>Current payments</b>	<b>255 016</b>	<b>110 815</b>	<b>43.45%</b>	<b>236 836</b>	<b>92.87%</b>	<b>275 266</b>	<b>138 751</b>	<b>50.41%</b>
Compensation of employees	141 112	69 777	49.45%	130 975	92.82%	177 085	82 684	46.69%
Goods and services	113 884	41 028	36.03%	105 831	92.93%	98 180	56 067	57.11%
Interest and rent on land	20	10		30		1		
Financial transactions in assets and liabilities								
<b>Transfers and subsidies</b>	<b>58 173</b>	<b>32 775</b>	<b>56.34%</b>	<b>67 747</b>	<b>116.46%</b>	<b>91 736</b>	<b>23 206</b>	<b>25.30%</b>
Provinces and municipalities	54 824	30 541	55.71%	64 816	118.23%	89 364	22 306	24.96%
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	2 089	1 459	69.84%	1 845	88.32%	388	204	52.58%
Households	1 260	775	61.51%	1 086	86.19%	1 984	696	35.08%
<b>Payments for capital assets</b>	<b>3 352</b>	<b>820</b>	<b>24%</b>	<b>2 427</b>	<b>72.40%</b>	<b>4 623</b>	<b>1 595</b>	<b>34.50%</b>
Buildings and other fixed structures								
Machinery and equipment	3 352	820	24%	2 427	72.40%	4 623	1 595	34.50%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Heritage assets								
Land and subsoil assets								
<b>Payments for financial assets</b>				96			24	

**Main expenditure trends for the first half of the 2014/15 financial year****Programme 1: Administration**

Slow spending of 43.89 percent of the allocated budget of R107.283 million for the first six months of the financial year was due to slow spending under Payment of Capital Assets. The expenditure projected in the second term is 56.11 percent. In comparison with the previous financial year, there is a decrease of 2.13 percent due to expenditure which is closely monitored in line with Cost Containment Measures.

**Programme 2: Local Governance**

In the first six months of the financial year, 42.46 percent of the allocated budget amounting to R124.714 million was spent. It is projected that 57.54 percent of the funds will be spent within the remaining months of the financial year when transfers to municipalities for financial assistance have been gazetted. In comparison with the previous financial year, the spending pattern has decreased with 13.08 percent mainly due to Operation Clean Audit and measure put in place in line with Cost Containment Measures.

**Programme 3: Development and Planning**

In the first half of the 2014/15 financial year, 45.06 percent of the allocated budget of R95.402 million was spent. It is projected that 54.94 percent of the funds will be spent within the remaining months of the financial year when transfers to municipalities for Municipal Infrastructure and Local Economic Development (LED) projects will be affected. In comparison with the previous financial year, there is an increase in spending of 21.08 percent due to funds allocated for payment of contractors and technical support to Provincial municipalities.

**Programme 4: Traditional Institutional Management**

Traditional Affairs spent 46.84 percent of the allocated funds of R35.150 million in the first six months. It is projected that 53.16 percent of the funds will be spent within the remaining months of the financial year. Operational costs are expected to increase as a result of upcoming ceremonies before March 2015 and the implementation of increases in allowances of Traditional Leaders. In comparison with the previous financial year, there is a decrease of 8.73 percent in spending due to expenses which are closely monitored in line with Cost Containment Measures.

**Programme 5: House of Traditional Leaders**

The House of Traditional Leaders spent 44.85 percent of the allocated budget of R9.076 million in the first six months of the 2014/15 financial year. The Programme projects to spend 55.15 percent of the funds within the remaining months of the financial year. Operational cost will increase with the upcoming ceremonies in the remaining six months of the 2014/15 financial year and the opening of the House of Traditional Leaders in March 2015. In comparison with the previous financial year, the spending pattern decreased with 12.39 percent due to slow spending under compensation of employees.

**Economic Classification****Current payments**

The Department has spent 50.41 percent of the allocated budget amounting to R275.266 million under Current payments for the 2014/15 financial year. The Department will continue to closely monitor expenditure particularly under compensation of employees as the Department has appointed security learnership personnel on a contract basis. There has been an increase of 6.96 percent in comparison with the previous financial year. The Department projects to spend 49.59 per cent as at end March 2015 due to departmental activities planned for the remainder of the financial year.

### Transfers and subsidies

The spending of 25.30 percent on the allocated amount of R91.736 million on transfers and subsidies was mainly due to committed grants to municipalities which have incurred expenditure in terms of financial assistance, various municipal infrastructure projects and non-profit institutions affected. There was a decrease of 31.04 percent in comparison with the previous financial year expenditure. The Department projects to fully spend the allocation under Transfers and subsidies as it continues to maintain fiscal discipline and support distressed municipalities within the Province.

### Payments for capital assets

The Department has spent 34.50 percent on the allocation of R4.623 million under payment for capital assets in the first six months of the 2014/15 financial year. The slow spending can be attributed mainly to the lack of office space as the Department continues to fill vacant posts and is unable to purchase office furniture for the new appointees.

### Departmental receipts

Table 8.4 Expenditure trends

		2013/14				2014/15			
		Audited outcome				Actual receipts			
R thousand	Adjusted estimate	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 13 - Mar 14 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 14 - Sep 14 % of adjusted estimate
Departmental receipts	1 813	838	46.22%	2 191	120.85%	1 914	1 914	907	47.39%
Tax receipts									
Sales of goods and services other than Transfers received	1 603	817	50.97%	1 972	123.02%	1 692	1 767	821	46.46%
Fines, penalties and forfeits									
Interest, dividends and rent on land	10	8	80.00%		0.00%	11	8	1	12.50%
Sales of capital assets									
Financial transactions in assets and liabilities	200	13	6.50%	219	109.50%	211	139	85	61.15%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>1 813</b>	<b>838</b>	<b>46.22%</b>	<b>2 191</b>	<b>120.85%</b>	<b>1 914</b>	<b>1 914</b>	<b>907</b>	<b>47.39%</b>

### Main departmental revenue trends for the first half of 2014/15

No programme within the Department is linked to any business initiative for generating revenue.

In terms of the trend over the last three years, applications received for township establishment indicate a decline in applications.

## Changes to transfers and subsidies, including conditional grants

Table 8.5: Summary of changes to transfers and subsidies per programme

2014/15							
R thousand	Main appropriation	Adjustment appropriation				Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		Total adjustments appropriation
1. Administration	182			532		532	714
Households EmplS/Ben: Leave Gratuity	72			(49)		(49)	23
Households Donations & Gifts (Cash)	90			481		481	571
Households EmplS/Ben: Injury on Duty	20					-	20
Households Bursaries (Non-employees)				100		100	100
2. Local Governance	35 008			(1 364)	16 600	15 236	50 244
Households EmplS/Ben: Leave Gratuity				2		2	2
Households EmplS/Ben: Injury on Duty						-	-
Households Donations & Gifts (Cash)	166			(166)		(166)	-
Mun B/Acc: Mun Conditional Grant	33 642				16 600	16 600	50 242
Non-Profit Institutions (SALGA)	1 200			(1 200)		(1 200)	-
Universities & technicons						-	-
3. Development and Planning	27 026			1 008	11 800	12 808	39 834
Households EmplS/Ben: Leave Gratuity	10			659		659	669
Households EmplS/Ben: Injury on Duty	92			(92)		(92)	-
Households Donations & Gifts (Cash)	2			2		2	4
Mun B/Acc: Mun Conditional Grant	26 883			439	11 800	12 239	39 122
Households EmplS/Ben: PST Retirement	39					-	39
4. Traditional Institutional Management	648			-		-	648
NPI:PMT/Refund & Rem-Act/Grace NPI	438			(50)		(50)	388
Households EmplS/Ben: Leave Gratuity				10		10	10
Households EmplS/Ben: Injury on Duty	36			(25)		(25)	11
Households Donations & Gifts (Cash)	174			65		65	239
Item name							-
5. House of Traditional Leaders	296			-		-	296
Households PMT/Refund & Rem-						-	-
Households EmplS/Ben: Injury on Duty						-	-
Households Donations & Gifts (Cash)	296					-	296
Households EmplS/Ben: Leave Gratuity						-	-
							-
Total transfers and subsidies	63 160			176	28 400	28 576	91 736



**VOTE 9**

**DEPARTMENT OF PUBLIC WORKS  
AND INFRASTRUCTURE**

**Vote 9****Department of Public Works & Infrastructure****Adjusted budget summary**

R thousand	2014/15			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 414 916</b>	<b>1 385 835</b>	<b>-29 081</b>	
<i>of which:</i>				
Current payments	912 529	915 516		2 987
Transfers and subsidies	303 416	268 619	-34 797	
Payments for capital assets	198 971	201 700		2 729
Payments for financial assets				
<b>Direct charge against the Provincial Revenue Fund</b>	<b>1 414 916</b>	<b>1 385 835</b>	<b>-34 797</b>	<b>5 716</b>
<b>Executive Authority</b>	<b>MEC for Public Works &amp; Infrastructure</b>			
<b>Accounting Officer</b>	<b>Director General : Public Works &amp; Infrastructure</b>			
<b>Website address</b>	<a href="http://www.fsworks.gov.za">www.fsworks.gov.za</a>			

**Aim**

Public Works & Infrastructure is a department committed to the provision, promotion and sound management of assets and infrastructure systems that are safe, affordable, reliable, accessible and sustainable built infrastructure.

**Changes to programme purposes, objectives and measures**

The Department of Public Works & Infrastructure will not change any of the purposes, objectives and measures during the 2014/15 financial year. All programmes remain as per the tabled APP.

**Adjusted Estimates of Provincial Revenue & Expenditure 2014****Table 9.1(a): Adjusted Estimates per programme**

Programme	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
R'thousand							
1. Administration	104 913						104 913
2. Public Works Infrastructure	1 131 102	2 719		-1 290	-33 800		1 098 731
3. Expanded Public Works Programme	178 901			1 290		2 000	182 191
<b>Total</b>	<b>1 414 916</b>	<b>2 719</b>			<b>-33 800</b>	<b>2 000</b>	<b>1 385 835</b>

## Economic classification

Table 9.1(b): Adjusted Estimates per Economic Classification

Programme	2014/15						
	Main appropriation	Adjustments					Appropriation
R'thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
<b>Economic classification</b>							
<b>Current payments</b>	912 529			987		2 000	915 516
Compensation of employees	379 866			2 000		2 000	381 866
Goods and Services	532 663			-1 013		2 000	533 650
Interest and rent on land							
<b>Transfers and subsidies to</b>	303 416			-4 997	-29 800		268 619
Provinces and municipalities	298 861			-4 696	-29 800		264 365
Departmental agencies & accounts	1 135			-1			1 134
Universities and technikons							
Public corporations & private enterprises							
Non-profit institutions							
Households	3 420			-300			3 120
<b>Payments for capital assets</b>	198 971	2 719		4 010	-4 000		201 700
Buildings and other fixed structures	194 165	2 719		5 177	-4 000		198 061
Machinery and equipment	4 806			-1 167			3 639
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>1 414 916</b>	<b>2 719</b>			<b>-33 800</b>	<b>2 000</b>	<b>1 385 835</b>

[illegible]

## Programme 2: Public Works Infrastructure

Table 9.1.2: Adjusted Estimates – Public Works Infrastructure

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1.Programme Support	7 557			-384			7 173
2.Planning	11 100			-166			10 934
3.Design	21 653			-20			21 633
4.Construction	61 572	2 719		13 415	-4 000		73 706
5.Maintenance	150 142			-1 638			148 504
6.Immovable Asset Management	733 448			-9 356	-29 800		694 292
7.Facility Operations	145 630			-3 141			142 489
<b>Total</b>	<b>1 131 102</b>	<b>2 719</b>		<b>-1 290</b>	<b>-33 800</b>		<b>1 098 731</b>
<b>Economic classification</b>							
<b>Current payments</b>	767 083			-4 569			762 514
Compensation of employees	301 496			710			302 206
Goods and Services	465 587			-5 279			460 308
Interest and rent on land							
<b>Transfers and subsidies to</b>	301 436			-4 596	-29 800		267 040
Provinces and municipalities	298 861			-4 696	-29 800		264 365
Departmental agencies and accounts							
Universities and technikons							
Public corporations & private enterprises							
Non-profit institutions							
Households	2 575			100			2 675
<b>Payments for capital assets</b>	62 583	2 719		7 875	-4 000		69 177
Buildings and other fixed structures	60 542	2 719		8 800	-4 000		68 061
Machinery and equipment	2 041			-925			1 116
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>1 131 102</b>	<b>2 719</b>		<b>-1 290</b>	<b>-33 800</b>		<b>1 098 731</b>

**Programme 3: EPWP****Table 9.1.3: Adjusted Estimates – EPWP**

Subprogramme		2014/15						
R'thousand	Main appropriation	Adjustments					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
1.Programme Support	13 181			1 275			1 275	14 456
2.Community Development	139 578			-3 623			-3 623	135 955
3.Innovation and Empowerment	26 142			3 638		2 000	5 638	31 780
<b>Total</b>	<b>178 901</b>			<b>1 290</b>		<b>2 000</b>	<b>3 290</b>	<b>182 191</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>45 143</b>			<b>4 928</b>		<b>2 000</b>	<b>6 928</b>	<b>52 071</b>
Compensation of employees	11 233			1 290			1 290	12 523
Goods and Services	33 910			3 638		2 000	5 638	39 548
Interest and rent on land								
<b>Transfers and subsidies to</b>								
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	<b>133 758</b>			<b>-3 638</b>			<b>-3 638</b>	<b>130 120</b>
Buildings and other fixed structures	133 623			-3 623			-3 623	130 000
Machinery and equipment	135			-15			-15	120
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>178 901</b>			<b>1 290</b>		<b>2 000</b>	<b>3 290</b>	<b>182 191</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014****Roll-overs – R2.719 million**

Programme 2: Public Works Infrastructure

The department will use the roll over funds to complete the infrastructure projects at the Psychiatric Complex and the Revolving Restaurant.

**Unforeseeable/ unavoidable expenditure**

None

Programme Administration experienced a need to pay legal fees to external practitioners attending arbitrations hearings. Professionals working in the infrastructure environment have a need for specialized software to be able to perform the work.

A virement of R1.290 million was effected from Programme Public Works Infrastructure to Programme EPWP to alleviate budget pressure within the programme. Funds were reclassified to address training needs and to pay stipends.

Programmes Summary					
1.Administration					
2.Public Works Infrastructure					
3. EPWP					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1		-628	Programme 1		628
Households	Payments for transfers (leave gratuity) were lower than the norm due to less than expected resignations	-401	Goods & Services	The department experience a shortage on legal fees for arbitration and specialized IT software for professionals	628
Machinery & equipment	The department scaled down on purchase of equipment	-227			
Percentage of programme budget		0.00%			
Programme 2		-10 900	Programme 3		10 900
Goods & Services	Surplus funds were identified to make provision for the need under compensation and payment for a settlement claim	-5 279	Compensation of employees	Compensation funds were needed to fund new appointments	1 290
			Programme 2		
Provinces & municipalities	The department scaled down due to settlement payment	-4 696	Compensation of employees	Security learnerships (260) implemented	710
			Programme 2		
Machinery & equipment	The department scaled down on purchase of equipment	-925	Households	Funding of leave gratuity due to officials leaving the service	100
			Programme 2		
			Buildings & Other fixed structures	Funds needed for a settlement payment of a clinic	8 800
Percentage of programme budget		0.31%			
Total		-11 528			11 528

**Table 9.2: Details on virements and shifts within a department**

<b>Programmes Summary</b>					
1.Administration					
2.Public Works Infrastructure					
3. EPWP					
<b>FROM:</b>			<b>TO:</b>		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 3</b>		<b>-3 638</b>	<b>Programme 3</b>		<b>3 638</b>
<b>Buildings &amp; Other Fixed Structures</b>	Funds were reclassified to address training needs for beneficiaries working on infrastructure projects	-3 623	<b>Goods &amp; Services</b>	Funds were needed to pay stipends and provide training for beneficiaries working on infrastructure projects	3 638
<b>Machinery &amp; equipment</b>	The department scaled down on purchase of equipment	-15			
<b>Percentage of programme budget</b>		<b>1.81%</b>			
<b>Total</b>		<b>-3 638</b>			<b>3 638</b>

**Declared unspent – (R33.800 million)**

Programme Public Works Infrastructure declared unspent funds under Buildings & other fixed structures of R4.000 million as well as Transfers to Provinces & Municipalities of R29.800 million, to be allocated towards other provincial pressures.

**Other adjustments – R2.000 million**

Programme 3: Expanded Public Works Programme

An additional amount of R2 million was received towards funding for poverty alleviation in Ficksburg.



## Expenditure 2013/14 and preliminary expenditure 2014/15

Table 9.3 Expenditure trends

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013 % adjusted appropriation		Apr 2013 - Mar 2014 % adjusted appropriation		Adjusted appropriation	Apr 14 - Sep 14 % of adjusted appropriation	
		Apr - Sep 2013	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014		Apr - Sep 2014	
1. Administration	98 024	49 062	50.05%	93 484	95.37%	104 913	49 358	47.05%
2. Public Works Infrastructure	1 111 879	617 400	55.53%	1 106 768	99.54%	1 098 731	548 996	49.97%
3. EPWP	195 406	71 225	36.45%	198 443	101.55%	182 191	127 040	69.73%
<b>Total</b>	<b>1 405 309</b>	<b>737 687</b>	<b>52.49%</b>	<b>1 398 695</b>	<b>99.53%</b>	<b>1 385 835</b>	<b>725 394</b>	<b>52.34%</b>
<b>Current payments</b>	<b>876 213</b>	<b>500 678</b>	<b>57.14%</b>	<b>878 640</b>	<b>100.28%</b>	<b>915 516</b>	<b>516 485</b>	<b>56.41%</b>
Compensation of employees	345 648	170 451	49.31%	339 107	98.11%	381 866	186 951	48.96%
Goods and services	530 565	330 227	62.24%	539 533	101.69%	533 650	329 534	61.75%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>288 327</b>	<b>147 718</b>	<b>51.23%</b>	<b>284 608</b>	<b>98.71%</b>	<b>268 619</b>	<b>95 928</b>	<b>35.71%</b>
Provinces and municipalities	282 904	145 535	51.44%	279 925	98.95%	264 365	93 029	35.19%
Departmental agencies and accounts	1 071		0.00%	1 070	99.91%	1 134	1 140	100.53%
Universities and technikons								
Public corporations & private enterprises				51				
Non-profit institutions								
Households	4 352	2 183	50.16%	3 562	81.85%	3 120	1 759	56.38%
<b>Payments for capital assets</b>	<b>240 769</b>	<b>89 291</b>	<b>37.09%</b>	<b>235 010</b>	<b>97.61%</b>	<b>201 700</b>	<b>112 981</b>	<b>56.01%</b>
Buildings and other fixed structures	234 958	87 469	37.23%	230 873	98.26%	198 061	111 396	56.24%
Machinery and equipment	5 811	1 822	31.35%	4 137	71.19%	3 639	1 585	43.56%
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
<b>Payments for financial assets</b>				<b>437</b>				
<b>Total</b>	<b>1 405 309</b>	<b>737 687</b>	<b>52.49%</b>	<b>1 398 695</b>	<b>99.53%</b>	<b>1 385 835</b>	<b>725 394</b>	<b>52.34%</b>

## Main expenditure trends for the first half of the 2014/15 financial year

## Programme: 1: Administration

Expenditure in the first six months of 2014/15 amounted to R49.358 million or 47.05 percent of the adjusted appropriation of R104.913 million.

## Programme: 2: Public Works Infrastructure

Expenditure in the first six months of 2014/15 amounted to R548.996 million or 49.97 percent of the adjusted appropriation of R1.099 billion. The expenditure for rates and taxes was at 31.12 percent and the department projects an over expenditure of R122.907 million. The expenditure for utility payments to municipalities was 72.22 percent and the department projects an over expenditure of R185.340 million which relates to tariff increases, account adjustments and incorrect billing by municipalities.

## Programme: 3: EPWP

Expenditure in the first six months of 2014/15 was R127.040 million or 69.97 percent of the adjusted appropriation of R182.191 million. The expenditure for infrastructure projects are high but no over expenditure is projected.

## Economic Classification

### Current Payments

Expenditure in the first six months of 2014/15 was R516.485 million or 56.41 percent of the adjusted appropriation of R915.516 million. The deviation is due to utility payments and operating lease payments and the department project to overspend with R122.907 million.

### Transfers and subsidies

Expenditure during the first six months of 2014/15 amounted to R95.928 million or 35.71 percent of the adjusted appropriation of R268.619 million.

### Payments for capital assets

Expenditure in the first six months of 2014/15 amounted to R112.981 million or 56.01 percent of the adjusted appropriation of R201.700 million. The expenditure for infrastructure projects are high but no over expenditure is projected.

## Departmental receipts

Table 9.4 Revenue Collection trends

2013/14						2014/15			
Audited outcome						Actual receipts			
R thousand	Adjusted estimate	Apr - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013- Mar 2014 % adjusted estimate	Budget estimate	Adjusted estimate	Apr - Sep 2014	Apr 2014 - Sep 2014 % of adjusted estimate
Departmental receipts	32 400	10 082	31.12%	37 481	115.68%	34 920	42 308	15 650	36.99%
Tax receipts									
Sales of goods and services other than capital receipts	31 961	9 863	30.86%	36 986	115.72%	32 447	39 000	12 599	32.31%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	57	28	49.12%	142	249.12%	61	28	14	50.00%
Sales of capital assets						2 000			
Financial transactions in assets and liabilities	382	191	50.00%	353	92.41%	412	3 280	3 037	92.59%
<b>Total</b>	<b>32 400</b>	<b>10 082</b>	<b>31.12%</b>	<b>37 481</b>	<b>115.68%</b>	<b>34 920</b>	<b>42 308</b>	<b>15 650</b>	<b>36.99%</b>

### Main departmental revenue trends for the first half of 2014/15

Revenue collected in the first six months of 2014/15 amounted to R15.650 million or 36.99 percent of the adjusted appropriation of R42.308 million. The under collection is due to revenue not yet received for rentals and boarding fees interface incorrectly into the bank account of Department of Health.

## Changes to transfers and subsidies, including conditional grants

Table 9.5: Summary of changes to transfers and subsidies per programme

		2014/15					
R thousand	Main appropriation	Adjustment appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments	
<b>1. Administration</b>	<b>1 980</b>			<b>-401</b>			<b>1 579</b>
Provinces and municipalities				21			21
Departmental agencies and accounts	1 135			5			1 140
Households	845			-427			418
<b>2. Public Works Infrastructure</b>	<b>301 436</b>			<b>100</b>	<b>-34 496</b>		<b>267 040</b>
Provinces and municipalities	298 861				-34 496		264 365
Households	2 575			100			2 675
<b>Total transfers and subsidies</b>	<b>303 416</b>			<b>-301</b>	<b>-34 496</b>		<b>268 619</b>

Table 9.6: Summary of changes to conditional grants: Public Works and Infrastructure

		2014/15					
R thousand	Main appropriation	Adjustment appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
<b>3.EPWP</b>	<b>5 955</b>						<b>5 955</b>
EPWP Integrated Grant of Prov	5 955						5 955
<b>Total conditional grant</b>	<b>5 955</b>						<b>5 955</b>

## Changes to Earmarked funds

Table 9.7: Summary of changes: Revenue Enhancement Allocation per programme

2014/15								
R thousand	Main appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments		
<b>2. Public Works Infrastructure</b>	1 200	2 719					2 719	3 919
Goods & Services	1 200	2 719					2 719	3 919
<b>Total Revenue Enhancement Allocation</b>	1 200	2 719					2 719	3 919

Table 9.8: Summary of changes: Provincial Earmarked funds per programme

2014/15								
R thousand	Main appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments		
<b>2. Public Works Infrastructure</b>	323 346			-4 696	-33 800		-38 496	284 850
IEA	24 485				-4 000		-4 000	20 485
Prop Rates & Taxes	298 861			-4 696	-29 800		-34 496	264 365
<b>3. EPWP</b>	130 000							130 000
IEA	130 000							130 000
<b>Total Earmarked funds</b>	453 346			-4 696	-33 800		-38 496	414 850

## Revised Infrastructure Project list

Table 9.9: Revised infrastructure project list

No.	Project name	Municipality	Region/ district	Source of funding	Project description	Project duration		Pro- gramme	Date Captured on IRM	Total project cost	Expenditure to date from previous years	Prof fees budget	Cons/ maint budget	Total budget 2013/14 (TO)	Total budget 2013/14 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
1. New and replacement assets (R thousand)																	
1	FSPG OFF BLD MANGAUNG PW/FS/27	Mangaung	Mangaung	IEA	OFFICE	APR 07	FEB 16	2	April-07	970 000	58 685	4 000			-4 000	Yes	No
2	SOC DEV OFF BLD KROONST PW/FS/28	Mochaka	Mochaka	IEA	OFFICE	APR 08	MAR 15	2	April-08	23 000	14 797		3 000	7 000		Yes	No
3	ROUXVILLE CLINIC	Xhariep	Kopanong	ES	CLINIC	JAN 15	16	2	Dec-14	28 000		4 000		4 000		No	Yes
Total New replacement assets														11 000	-4 000		
2. Upgrades and additions (R thousand)																	
1	PROV BUILD UPGR PW/FS/12/17	Mangaung	Mangaung	IEA	DEP FACILITY	APR 12	MAR 17	2	April-12	98 500	40 000		14 000		-7 000	Yes	No
2	PARYS TEST/S UPGR PW/FS/13/81	Ngwathe	Ngwathe	ES	TEST CENTRE	APR 14	MAR 15	2	April-14	2 000			2 000		-2 000	Yes	No
3	SAND DU PLESSIS LIFT PW/FS/13/74	Mangaung	Mangaung	ES	OFFICE	APR 13	MAR 15	2	April-13	7 000	5 000		2 000		-1 465	Yes	No
4	THABA NCHU PW UPGR PW/FS/13/73	Mangaung	Mangaung	ES	OFFICE	April-11	Mar-15	2	April-12	3 700	2 700		1 000		-880	Yes	No
5	SASOLBURG TEST/S UPGR	Metsimaholo	Metsimaholo	ES	TEST CENTRE	April-11	Mar-15	2	Nov-14	1 000				1 000		Yes	Yes
6	VIRGINIA TEST/S UPGR	Matjhabeng	Matjhabeng	ES	TEST CENTRE	APR 12	MAR 14	2	Nov-14	1 000				1 000		Yes	No
7	BOIKETLO O/A T/S REV PW/FS/13/75	Mangaung	Mangaung	ES	COMM HALL	APR 14	MAR 15	2	April-14	3 000	453			2 300		Yes	Yes
8	PSYCHIATRIC COMPH PW/FS/12/01	Mangaung	Mangaung	REA	DEP FACILITY	APR 13	MAR 15	2	April-13	1 143	883			250		Yes	No
9	REVOLVING REST PGB PW/FS/12/07	Mangaung	Mangaung	REA	DEP FACILITY	APR 13	MAR 15	2	April-13	5 607	1 855		1 200	2 469		Yes	Yes
10	THABA NCHU/SREVITAL PW/FS/12/12	Mangaung	Mangaung	IEA	ACCESS ROAD	APR 14	MAR 17	3	April-11	39 000			13 000	2 927		Yes	Yes
11	BOTSHABELO T/S CH UPGR	Mangaung	Mangaung	IEA	COMM HALL	APR 14	MAR 15	3	Dec-14	3 623				1 200		No	Yes

Table 9.9: Revised infrastructure project list

No.	Project name	Municipality	Region/ district	Source of funding	Project description	Project duration		Pro- gramme	Date Captured on IRM	Total project cost	Expenditure to date from previous years	Prof fees budget	Const/ maint budget	Total budget 2013/14 (TO)	Total budget 2013/14 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish										
12	VIRGINIA T/S C/H UPRGR	Lejweleputswa	Matjhabeng	IEA	COMM HALL	DEC 14	MAR 15	3	Dec-14	550				550		No	Yes
13	BOTSHABELO C/H UPRGR	Mangaung	Mangaung	ES	COMM HALL	APR 14	MAR 15	3	April-14	3 623					-3 623	Yes	Yes
14	ALLENRIDGE T/S REVIT	Lejweleputswa	Matjhabeng	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	27 000			9 000		-360	Yes	Yes
15	ARLINGTON T/S REVIT	Thabo Mofutsanyane	Nketoana	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	40 000	12 387		9 000		-360	Yes	Yes
16	BATHO T/S REVITAL	Mangaung	Mangaung	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	45 000	20 000		8 000		-320	Yes	Yes
17	CORNELIA T/S REVITAL	Fezile Dabi	Matjhabeng	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	29 000	8 834		5 000		-200	Yes	Yes
18	HEILBRON T/S REVIT	Fezile Dabi	Ngwathe	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	39 000			10 000		-400	Yes	Yes
19	HENNEMAN T/S REVIT	Lejweleputswa	Matjhabeng	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	35 000	10 000		6 000		-240	Yes	Yes
20	JAGERS T/S REVITAL	Xhariep	Koparong	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	36 000	9 000		8 000		-320	Yes	Yes
21	MARABASTAD T/S REVIT	Fezile Dabi	Mochaka	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	38 000	8 421		8 000		-320	Yes	Yes
22	ODENDAALS T/S REVITAL	Lejweleputswa	Matjhabeng	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	42 000	6 500		8 000		-319	Yes	Yes
23	PARYS T/S REVITAL	Fezile Dabi	Ngwathe	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	77 290	19 729		17 000		-679	Yes	Yes
24	PETRUSBURG T/S REVIT	Mangaung Metro	Letsemeng	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	30 000			10 000		-400	Yes	Yes
25	VIRGINIA T/S REVITAL	Lejweleputswa	Matjhabeng	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	38 000	9 999		9 000		-360	Yes	Yes
26	VREDEFORT T/S REVIT	Fezile Dabi	Ngwathe	IEA	ACCESS ROAD	APR 14	MAR 15	3	April-14	39 000	9 000		10 000		-399	Yes	Yes
<b>Total Upgrades and additions</b>														11 696	-19 645		
<b>Total Infrastructure</b>														22 696	-23 645		

**Table 9.10: Revised non infrastructure project list**

No.	Project name	Municipality	Region/ district	Source of funding	Project description	Project duration		Pro- gramme	Total project cost	Prof fees budget	Const/ maint budget	Total budget 2013/14 (TO)	Total budget 2013/14 (FROM)
						Date: Start	Date: Finish						
1	COMM WORKER SAL	FS	FS	EQUITABLE SHARE	Other	APR 12	MAR 15	3	550	10 883		2 000	
2	SKILLS TRAINING	FS	FS	EQUITABLE SHARE	Other	APR 12	MAR 15	3	3 623	4 000		3 623	
Total non infrastructure projects													
												5 623	

The table below illustrates the summary of infrastructure adjustments according to infrastructure categories.

**Table 9.11: Summary of Adjusted Infrastructure Appropriated**

Infrastructure	Main Appropriation 2014/15	Increase/ Decrease	Adjusted Appropriation 2014/15
<b>New infrastructure assets</b>	7 000	-3 668	3 332
<b>Existing infrastructure assets</b>	<b>182 510</b>	<b>2 719</b>	<b>185 229</b>
Upgrading and additions	182 510	2 719	185 229
Rehabilitation, renovations and refurbishment			
Maintenance and repair			
<b>Infrastructure transfers</b>			
Current			
Capital			
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Total Infrastructure</b>	<b>189 510</b>	<b>-949</b>	<b>188 561</b>



**VOTE 10**

**DEPARTMENT OF POLICE, ROADS  
AND TRANSPORT**

# Vote 10

## Department of Police Roads and Transport

### Adjusted budget summary

R thousand	2014/15			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>2 195 242</b>	<b>2 428 898</b>	<b>(10 000)</b>	<b>243 656</b>
<i>of which:</i>				
Current payments	1 779 775	1 816 957	(10 000)	47 182
Transfers and subsidies	223 445	228 980		5 535
Payments for capital assets	192 022	382 961		190 939
Payments for financial assets				
<b>Revenue Fund</b>	<b>2 195 242</b>	<b>2 428 898</b>	<b>(10 000)</b>	<b>243 656</b>
<b>Executive Authority</b>	<b>MEC for Police Roads and Transport</b>			
<b>Accounting Officer</b>	<b>The Head : Police Roads and Transport</b>			
<b>Website address</b>	<b><a href="http://www.policeroadstransport.gov.za">www.policeroadstransport.gov.za</a></b>			

### Aim

Contribute towards the creation of a prosperous Free State through the facilitation of the provision of sustainable community safety, mobility and road infrastructure.

### Changes to programme purposes, objectives and measures

Police, Roads and Transport did not change any of the purposes, objectives and measures during the 2014/15 financial year. All programmes remains as tabled in the APP.

### Adjusted Estimates of Provincial Revenue & Expenditure 2014

Table 10.1(a): Adjusted Estimates

Table 10(a) - Adjusted Estimates								
Programme	2014/15							
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	
1.Administration	196 415			21 000		8 000	29 000	225 415
2.Civilian Oversight	9 104			700			700	9 804
3.Crime Prevention and Community Police Relations	16 211			(700)			(700)	15 511
4.Transport Operations	253 731			(2 084)			(2 084)	251 647
5.Transport Regulations	322 239			17 000			17 000	339 239
6.Transport Infrastructure	1 397 542	235 656		(35 916)	(10 000)		189 740	1 587 282
Subtotal	2 195 242	235 656			(10 000)	8 000	233 656	2 428 898

**Economic classification**

Table 10.1(b): Adjusted Estimates per Economic Classification

Programme	2014/15							
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
<b>Economic classification</b>								
Current payments	1 779 775	92 619		(58 437)	(10 000)	8 000	32 182	1 811 957
Compensation of employees	565 212			(24 800)	(10 000)		(34 800)	530 412
Goods and Services	1 214 563	92 619		(33 637)		8 000	66 982	1 281 545
Interest and rent on land								
Transfers and subsidies to;	223 445			5 535			5 535	228 980
Provinces and municipalities								
Departmental agencies and account	5 000			3 975			3 975	8 975
Universities and technikons								
Public corporationsand private enterprises	216 060			(160)			(160)	215 900
Foreign governments and international organisations								
Non-profit institutions								
Households	2 385			1 720			1 720	4 105
Payments for capital assets	192 022	143 037		52 902			195 939	387 961
Buildings and other fixed structures	186 821	143 037		37 584			180 621	367 442
Machinery and equipment	4 501			15 318			15 318	19 819
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets	700							700
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total	2 195 242	235 656			(10 000)	8 000	233 656	2 428 898

**Programme 1: Administration**

Table 10.1.1: Adjusted Estimates - Administration		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation
1.Office of the MEC	9 536			(250)			(250)
2.Office of the HOD	7 764			(3 750)			(3 750)
3.Financial Management	70 000			(1 173)		8 000	6 827
4.Corporate Services	64 166			95			95
5.Internal Audit	4 604			800			800
6.Legal Services	2 910			200			200
7.Strategic Plan and Research Development	6 977			(295)			(295)
8.Security Management	26 027			27 323			27 323
9.Risk Management	4 431			(1 950)			(1 950)
<b>Total</b>	<b>196 415</b>			<b>21 000</b>		<b>8 000</b>	<b>29 000</b>
<b>Economic classification</b>							
<b>Current payments</b>	193 135			19 794		8 000	27 794
Compensation of employees	100 126			1 500			1 500
Goods and Services	93 009			18 294		8 000	26 294
Interest and rent on land							
<b>Transfers and subsidies to;</b>				335			335
Provinces and municipalities							
Departmental agencies and account				175			175
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				160			160
<b>Payments for capital assets</b>	3 280			871			871
Buildings and other fixed structures							
Machinery and equipment	3 280			871			871
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>196 415</b>			<b>21 000</b>		<b>8 000</b>	<b>29 000</b>

## Programme 2: Civilian Oversight

Table 10.1.2: Adjusted Estimates - Civilian Oversight		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	
1.Civilian Oversight	4 644			700			700	5 344
2.Monitoring And Evaluation	4 460							4 460
<b>Total</b>	<b>9 104</b>			<b>700</b>			<b>700</b>	<b>9 804</b>
<b>Economic classification</b>								
<b>Current payments</b>	9 104			640			640	9 744
Compensation of employees	7 274			700			700	7 974
Goods and Services	1 830			(60)			(60)	1 770
Interest and rent on land								
<b>Transfers and subsidies to;</b>				60			60	60
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households				60			60	60
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>9 104</b>			<b>700</b>			<b>700</b>	<b>9 804</b>

**Programme 3: Crime Prevention and Community Police Relations**

Table 10.1.3: Adjusted Estimates - Crime Prevention and Community Relations

2014/15

R'thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
1.Social Crime Prevention	8 504			(270)			(270)	8 234
2.Community Police Relations	5 120							5 120
3.Promotion of Safety	2 587			(430)			(430)	2 157
<b>Total</b>	<b>16 211</b>			<b>(700)</b>			<b>(700)</b>	<b>15 511</b>
<b>Economic classification</b>								
<b>Current payments</b>	16 051			(600)			(600)	15 451
Compensation of employees	6 596			(600)			(600)	5 996
Goods and Services	9 455							9 455
Interest and rent on land								
<b>Transfers and subsidies to;</b>	160			(100)			(100)	60
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises	160			(160)			(160)	
Foreign governments and international organisations								
Non-profit institutions								
Households				60			60	60
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>16 211</b>			<b>(700)</b>			<b>(700)</b>	<b>15 511</b>

**Programme 4: Transport Operations**

Table 10.1.4: Adjusted Estimates - Transport Operations		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation
1. Programme Support Operation	1 916			(446)			(446)
2. Public Transport Service	225 271			1 559			1 559
3. Transport Safety & Compliance	16 441			(700)			(700)
4. Infrastructure Operation	3 103			(413)			(413)
5. Transport System	7 000			(2 084)			(2 084)
<b>Total</b>	<b>253 731</b>			<b>(2 084)</b>			<b>(2 084)</b>
<b>Economic classification</b>							
<b>Current payments</b>	37 831			(2 144)			(2 144)
Compensation of employees	22 975						
Goods and Services	14 856			(2 144)			(2 144)
Interest and rent on land							
<b>Transfers and subsidies to;</b>	215 900			40			40
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises	215 900						
Foreign governments and international organisations							
Non-profit institutions							
Households				40			40
<b>Payments for capital assets</b>				20			20
Buildings and other fixed structures							
Machinery and equipment				20			20
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>253 731</b>			<b>(2 084)</b>			<b>(2 084)</b>

**Programme 5: Transport Regulation**

Table 10.1.5: Adjusted Estimates - Transport Regulations		2014/15							
R'thousand	Main appropriation	Adjustments Appropriation						Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments			
1.Regulation Support Office	11 190			500				500	11 690
2.Law Enforcement	182 326			29 023				29 023	211 349
3.Transport Admin & Licensing	110 107			(12 523)				(12 523)	97 584
4.OperatorLicense & Permits	18 616								18 616
<b>Total</b>	<b>322 239</b>			<b>17 000</b>				<b>17 000</b>	<b>339 239</b>
<b>Economic classification</b>									
<b>Current payments</b>	316 844			(323)				(323)	316 521
Compensation of employees	252 993			(8 000)				(8 000)	244 993
Goods and Services	63 851			7 677				7 677	71 528
Interest and rent on land									
<b>Transfers and subsidies to;</b>	5 395			3 800				3 800	9 195
Provinces and municipalities									
Departmental agencies and account	5 000			3 800				3 800	8 800
Universities and technikons									
Public corporationsand private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	395								395
<b>Payments for capital assets</b>				13 523				13 523	13 523
Buildings and other fixed structures									
Machinery and equipment				13 523				13 523	13 523
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>322 239</b>			<b>17 000</b>				<b>17 000</b>	<b>339 239</b>



## Programme 6: Transport Infrastructure

Table 10.1.6: Adjusted Estimates - Transport Infrastructure

2014/15

R'thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
1. Infrastructure Support Office	16 975			(10 000)			(10 000)	6 975
2. Planning	60 089			(9 761)			(9 761)	50 328
3. Design	4 366			(425)			(425)	3 941
4. Construction	7 481			(1 000)			(1 000)	6 481
5. Maintenance	1 308 631	235 656		(14 730)	(10 000)		210 926	1 519 557
<b>Total</b>	<b>1 397 542</b>	<b>235 656</b>		<b>(35 916)</b>	<b>(10 000)</b>		<b>189 740</b>	<b>1 587 282</b>
<b>Economic classification</b>								
<b>Current payments</b>	1 206 810	92 619		(75 804)	(10 000)		6 815	1 213 625
Compensation of employees	175 248			(18 400)	(10 000)		(28 400)	146 848
Goods and Services	1 031 562	92 619		(57 404)			35 215	1 066 777
Interest and rent on land								
<b>Transfers and subsidies to;</b>	1 990			1 400			1 400	3 390
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	1 990			1 400			1 400	3 390
<b>Payments for capital assets</b>	188 742	143 037		38 488			181 525	370 267
Buildings and other fixed structures	186 821	143 037		37 584			180 621	367 442
Machinery and equipment	1 221			904			904	2 125
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets	700							700
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>1 397 542</b>	<b>235 656</b>		<b>(35 916)</b>	<b>(10 000)</b>		<b>189 740</b>	<b>1 587 282</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014****Roll-overs – R235.656 million**

The roll-over funds received amounting to R235.656 million is related to the maintenance of roads.

**Virements and shifts****Table 10.2: Details on virements and shifts within a department**

Programmes Summary					
<b>Programme 5 Transport Regulations</b>	Savings were realized after budget analysis within various line items to cater for pressures in administration programme	(3 000)	<b>Programme 1 Administration</b>	Funds were utilized for the payment of securities which faces a challenge of operating with a limited budget	3 000
<b>Programme 3 Crime Prevention and Community Police Relations</b>	Due to cost containment measures savings were realized within G&S to provide for unbudgeted transfers in prog 5	(700)	<b>Programme 2 Civilian Oversight</b>	Funds will be utilised to cover for higher than anticipated payment in COE	700
<b>Programme 6 Transport Infrastructure</b>	Due to cost containment measures savings to be realised under G&S and compensation respectively to be utilized to curb high overspending under prog 5	(20 000)	<b>Programme 5 Transport Regulations</b>	Funds to be used to curb high overspending under G&S enhanced by insufficient budget allocated to the programme	20 000
<b>Programme 6 Transport Infrastructure</b>	Due to high pressure emanating from the payments to securities, savings realised from IEA projects will be used to fund the operations in security sub-programme	(16 916)	<b>Programme 1 Administration</b>	Funds to be used to curb the overspending created under security sub-programme due to insufficient budget allocated to the Sub-programme	16 916
<b>Programme 4 Transport Operations</b>	Due to cost savings realised under RAMS projects, funds will reprioritised to the Trompsburg Transport centre	(1 084)	<b>Programme 5 Transport Regulations</b>	Funds to be utilised for the earmarked Trompsburg Transport Centre Project.	1 084
<b>Programme 4 Transport Operations</b>	Due to cost savings realised under RAMS projects funds will reprioritised to finance the appointments of Security learnerships	(1 000)	<b>Programme 6 Transport Infrastructure</b>	Funds will be used to fund the payment of the security learnership stipends	1 000

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 5:Transport Regulations/ Goods & Services	Reprioritizations within various line items in goods and services for curbing excess expenditure under Transfers & Subsidies	(3 000)	Programme 1 Administration/ Goods & services	Savings realized was utilized to topup insufficient security budget for the payments of private securities	3 000
Programme 6: Transport infrastructure/ Buildings & other fixed structures	Savings were identified under different IEA projects to fund for challenges relating to payment of private securities in prog 1	(16 916)	Programme 1: Administration/ Goods & Services	Savings to be utilized to fund for the shortages experienced to insufficient budget of securities	16 916
Programme 4: Transport Operations/ Goods & Services	Due to cost containment measures savings identified will used to curb overspending under transfers	(1 084)	Programme 1: Administration/ Goods & Services	Savings realised from G&S to be used to curb overspending caused by under-budgeted leave gratuities	1 084
Percentage of programme budget		11%			11%
Programme 3: Compensation of employees & Transfers & subsidies	Savings realised under various economic classification to be utilised to top up compensation under prog 2	(700)	Programme 2: Compensation of employees	Funds to be utilised to top up the insufficient compensation budget	700
Percentage of programme budget		4%			8%
Programme 4: Goods & Services	Due to reprioritizations of a current project (RAMS), savings will be utilized to adress the cahllenges in prog 1 and prog 6 respectively	(2 084)	Programme 1 and Programme 6: Goods & Services	Funds to be reallocated to households ands goods and services line items respectively	2 084
Percentage of programme budget		1%			1%
Programme 6: Goods & Services	Due to moratorium implemented under cost containment measures, savings realized to be used to remove pressures under goods & services of prog 5	(20 000)	Programme 5: Households and Machinery and equipment	Funds to be utilised to remove the overspeding under households due to leave gratuities and machinery and equipment that was unbudgeted	20 000
Percentage of programme budget		1%			6%
Programme 6: Goods & Services	Due to moratorium implemented under cost containment measures, savings realized to be used to remove pressures under goods & services of prog 5	(20 000)	Programme 5: Households and Machinery and equipment	Funds to be utilised to remove the overspeding under households due to leave gratuities and machinery and equipment that was unbudgeted	20 000
Programme 5: Goods & Services	Funds will be reprioritised to the departmental agencies to provide for the procurement of mobile collecting units via the departmental agency (Fleet Management)	(3 800)	Programme 5: Departmental Agencies and Accounts	Funds will be used to procure mobile collecting units via Fleet Management from REA funding	3 800
Percentage of programme budget		1%			1%
Programme 4: Goods & Services	Reprioritizations from RAMS project to Trompsburg Transport centre	(1 000)	Programme 6: Buildings & other fixed structures	Funds will be utilized to top up the insufficient budget for Trompsburg transport centre	1 000
Percentage of programme budget		1%			1%

**Virements****Programme 1**

A total savings of R21.000 million of which R3.000 million from Programme 5 and R18.000 million from Infrastructure Enhancement projects (R1.084million Programme 4 and R16.916 million Programme 6) will be utilised for the payment of private security companies and payments of stipend for the learnerships under security management sub-directorate.

**Programme 3**

A total saving of R0.700 million realised through cost containment measures in various line items will be utilised to cover for overspending in COE under programme 2 caused by unbudgeted leave gratuities

**Programme 4**

A total Savings amounting to R2.084 million from Road Asset Management systems (Infrastructure enhancement allocation) will be directed as follows, R1.084 million to programme 1 for payment of private securities and R1 million to programme 6 for increasing the Trompsburg transport centre budget.

**Programme 5**

A total saving of R17.000 million to be utilised for insufficient budget under goods and services is made of the following amounts: R20.000 million from programme 6 and R3.000 million to be directed to programme 1.

**Programme 6**

Due to tight reprioritizations total savings of R35.916 million from infrastructure enhancement allocation will be directed to programme 1 and programme 5 respectively and is made of the following amounts: R20.000 million to goods & Services Programme 5, R16.916 million to Goods & services Programme 1 and R1.000 million to Trompsburg transport centre

**Declared unspent**

Programme 6: Transport Infrastructure - a saving of R10.000 million from compensation of employees sourced from Infrastructure Enhancement will be transferred to COGTA for the payment of Viljoenskroon access road.

**Gifts, Donations and Sponsorships`**

The department received a donor funding from Road Traffic Management Corporation amounting to R45.000 million of which is broken as follows:

- Training and skills development – R21.248 million
- Road safety improvement infrastructure – R11.826 million
- Project management and facilitation – R 11.925 million

## Expenditure 2013/14 and preliminary expenditure 2014/15

Table 10.3 Expenditure trends

	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr - Sep 2013	Apr - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % adjusted appropriation	Adjusted appropriation	Apr - Sep 2014	Apr 2014 - Sep 14 % of adjusted appropriation
R thousand								
1. Administration	196 633	124 630	63%	187 581	95%	225 415	117 776	52%
2. Civilian Oversight	7 704	3 864	50%	7 951	103%	9 804	4 554	46%
3. Crime Prevention and Community Police	12 472	6 057	49%	10 460	84%	15 511	5 455	35%
4. Transport Operation	248 480	115 053	46%	244 797	99%	251 647	110 991	44%
5. Transport Regulation	290 026	148 290	51%	300 792	104%	339 239	168 091	50%
6. Transport Infrastructure	1 748 417	554 590	32%	1 438 632	82%	1 587 282	540 095	34%
<b>Subtotal</b>	<b>2 503 732</b>	<b>952 484</b>	<b>38%</b>	<b>2 190 213</b>	<b>87%</b>	<b>2 428 898</b>	<b>946 962</b>	<b>39%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>2 503 732</b>	<b>952 484</b>	<b>38%</b>	<b>2 190 213</b>	<b>87%</b>	<b>2 428 898</b>	<b>946 962</b>	<b>39%</b>
<b>Current payments</b>	<b>973 341</b>	<b>481 108</b>	<b>49%</b>	<b>919 341</b>	<b>94%</b>	<b>1 811 957</b>	<b>720 843</b>	<b>40%</b>
Compensation of employees	501 742	246 914	49%	489 424	98%	530 412	261 410	49%
Goods and services	471 599	234 074	50%	429 797	91%	1 281 545	458 363	36%
Interest and rent on land		120		120			1 070	
<b>Transfers and subsidies</b>	<b>238 501</b>	<b>126 229</b>	<b>53%</b>	<b>241 498</b>	<b>101%</b>	<b>228 980</b>	<b>100 357</b>	<b>44%</b>
Provinces and municipalities								
Departmental agencies and accounts	25 000	25 000	100%	25 000	100%	8 975	5 000	56%
Universities and technikons								
Public corporations & private enterprises	210 382	98 291	47%	209 382	100%	215 900	91 649	42%
Non-profit institutions								
Households	3 119	2 938	94%	7 116	228%	4 105	3 708	90%
<b>Payments for capital assets</b>	<b>1 291 890</b>	<b>345 147</b>	<b>27%</b>	<b>1 029 374</b>	<b>80%</b>	<b>387 961</b>	<b>125 762</b>	<b>32%</b>
Buildings and other fixed structures	1 277 412	340 154	27%	1 023 029	80%	367 442	118 726	32%
Machinery and equipment	12 778	4 334	34%	5 606	44%	19 819	7 032	35%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets	1 700	659	39%	739	43%	700	4	1%
<b>Payments for financial assets</b>								
<b>Total</b>	<b>2 503 732</b>	<b>952 484</b>	<b>38%</b>	<b>2 190 213</b>	<b>87%</b>	<b>2 428 898</b>	<b>946 962</b>	<b>39%</b>

## Main expenditure trends for the first half of the 2014/15 financial year

Expenditure in the first six months of 2013/14 amounted to R952.484 million or 38 percent of the adjusted appropriation of R2.504 billion. The expenditure decreased to R946.962 million in the 2014/15 financial year, consisting of 39 percent of the adjusted budget of R2.421 billion.

The slight drop in performance in the current financial year is mainly related to the goods and services classification where a moratorium on cost containment measures was passed during the period under review under various non-core line items. The decrease in spending was also enhanced by the buildings and other fixed structures due to late appointments of service providers.

**Programme 1: Administration**

An analysis shows a decline of 11 percent in spending as compared to the same period from the previous financial year. This is due to the cost containment measures implemented by the department on goods and services. Though the programme is showing a decrease in expenditure the programme is facing a great deal of pressure in paying private security companies as well as bank charges due to insufficient budget allocated to goods and services in the current financial year.

**Programme 3: Crime prevention and community police relations**

During the budget vote speech of the MEC, he announced that new project that will commence during the 2014/15 financial year which is called Community Safety Patrollers programme. This project did not start during the first semester of the financial year and resulted in expenditure being at only 35 percent.

**Programme 4: Transport Regulations and Programme 5**

Expenditure was anticipated for October transport month which falls within the second semester of the financial year. Cost containment measures also enhanced the decreased spending.

**Programme 6: Transport Infrastructure**

The slow spending shown by the buildings and other fixed structures is due to the late appointments of service providers.

**Economic Classification****Current payments**

The expenditure for the current payments for the first six months was at 40 percent of the adjusted budget. The expenditure is 9 percent lower than the first six months of the previous financial year. The main decrease is due to the cost containment measures implemented within the first six months of the current financial year.

**Transfers and subsidies**

The expenditure in transfers has decreased by 9 percent from the previous financial year, this is as a result of the R20.000 million transfer payment made to Fleet Management which was only budgeted for in the 2013/14 financial year.

## Departmental receipts

Table 10.4 Expenditure trends

R thousand	2013/14					2014/15			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr - Sep 2013	Apr - Sep 2013 % adjusted appropriation	Apr - Mar 2014	Apr - Mar 2014 % adjusted estimate	Budget estimate	Adjusted estimate	Apr - Sep 2014	Apr - Sep 2014 % of adjusted estimate
Departmental receipts	527 838	268 364	51%	534 101	101%	557 397	581 489	290 741	50%
Tax receipts	437 536	222 460	51%	446 855	102%	462 038	486 598	246 453	51%
Sales of goods and services other than	76 926	37 546	49%	72 684	94%	81 234	79 085	35 504	45%
Transfers received									
Fines, penalties and forfeits	12 526	7 840	63%	13 472	108%	13 227	13 227	6 282	47%
Interest, dividends and rent on land	146	70	48%	213	146%	154	176	99	56%
Sales of capital assets									
Financial transactions in assets and liabilities	704	448	64%	877	125%	744	2 403	2 403	100%
<b>Total</b>	<b>527 838</b>	<b>268 364</b>	<b>51%</b>	<b>534 101</b>	<b>101%</b>	<b>557 397</b>	<b>581 489</b>	<b>290 741</b>	<b>50%</b>

## Main departmental revenue trends for the first half of 2014/15

The increase in the current financial year is due to the annual increase in motor vehicle licences tariffs and therefore R24.000 million more revenue was collected.

## Changes to transfers and subsidies, including conditional grants

Table 10.5: Summary of changes to transfers and subsidies per programme

R thousand	2014/15						
	Adjustment appropriation						
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments	Total adjustments appropriation
<b>Programme 1: Administration</b>				335			335
Departmental agencies and accounts				175			175
Households				160			160
<b>Programme 2: Civilian Oversight</b>				60			60
Households				60			60
<b>Programme 3: Crime Prevention and Community Police Relations</b>	160			(100)			(100)
Public corporations and private	160			(160)			(160)
Households				60			60
<b>Programme 4: Transport Operations</b>				40			40
Households				40			40
<b>Programme 5: Transport Regulations</b>	5 000			3 800			3 800
Households	5 000			3 800			3 800
<b>Programme 6: Transport Infrastructure</b>	1 990			1 400			1 400
Households	1 990			1 400			1 400
<b>Total transfers and subsidies</b>	<b>7 150</b>			<b>5 535</b>			<b>5 535</b>

Table 10.6: Summary of changes to conditional grants :Provinces

2014/15								
R thousand	Main appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
<b>1. Programme name</b>	<b>1 025 682</b>	<b>235 656</b>					<b>235 656</b>	<b>1 261 338</b>
Provincial Road Maintenance Grant	1 025 682	235 656					235 656	1 261 338
<b>Total conditional grant: Province</b>	<b>1 025 682</b>	<b>235 656</b>					<b>235 656</b>	<b>1 261 338</b>

### Changes to Revenue Enhancement Allocation, including Earmarked funds

Table 10.7: Summary of changes to Earmarked Funding ( Revenue Enhancement Allocation)

2014/15								
R thousand	Main appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
<b>1. Programme name</b>	<b>23 734</b>							<b>23 734</b>
REA	23 734							23 734
<b>Total conditional grant: Province</b>	<b>23 734</b>							<b>23 734</b>
<b>Economic Classification</b>								
<b>Current payments</b>	<b>23 734</b>			(3 800)			(3 800)	<b>19 934</b>
Compensation of Employees								
Goods and Services	23 734			(3 800)			(3 800)	19 934
<b>Transfers and subsidies</b>				3 800			3 800	<b>3 800</b>
Province and municipalities								
Departmental agencies and account				3 800			3 800	3 800
<b>Payments for capital assets</b>								
Building and other fixed structures								
<b>Total transfers and subsidies</b>	<b>23 734</b>							<b>23 734</b>



## Revised Infrastructure project list

The table below caters for amendments on infrastructure projects (including that on retention) for the current financial year as well as projects which were not included/ were omitted in the Estimate of Provincial Revenue and Expenditure for 2014/15 Revised Infrastructure project list.

Table 10.3 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Program me	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Total Adjusted Budget 2014/15	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish										
1. New and replacement assets (R thousand)																	
1	TROMPSBURG TRANSPORT CENTRE	Kopanong	Xhariep District Municipality	Infrastructure Enhancement Allocation	Transport facility	01 April 2014	31 March 2017	6	13 000			1 000	1 000		2 000	Yes	No
2	SECURITY SYSTEM	Mangaung	Mangaung	Infrastructure Enhancement Allocation	Offices Buildings	01 April 2014	31 March 2017	6	10 966			2 916		(2 916)		Yes	No
3	FENCING OF 64 REGISTRATION AUTHORITY	Free State	Free State	Infrastructure Enhancement Allocation	Buildings	01 April 2014	31 March 2016	6	12 000			5 000		(5 000)		Yes	No
4	PORTABLE WEIGHBRIDGES	Free State	Free State	Infrastructure Enhancement Allocation	portable weighbridges			6	5 000			5 000		(5 000)		Yes	No
5	HARRISMITH LOGISTIC HUB(CA)	Makuti-a-Phofung	Tlaabob-Mofutsanyana	Infrastructure Enhancement Allocation	Logistic Hub	01 April 2014	31 March 2015	6	300 000	1 720		10 000	4 400		14 400	Yes	No
6	WEIGH BRIDGES	Free State	Free State	Infrastructure Enhancement Allocation	weighbridges			6	10 000	3 260		2 000		(2 000)		Yes	No
Total: New and replacement assets									330 966	4 980	0	25 916	5 400	(14 916)	16 400		

Table 10.8 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Programme	Total project cost	Expenditure to date from previous years	Professional fees budget	Cons/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Total Adjusted Budget 2014/15	Captured on EP&E Yes/No	EPWP Yes/No
						Date: Start	Date: Finish										
2. Upgrade and additions (R thousand)																	
1	RAIL REVITALIZATION	Matlule-Phofung	Thabo Mofutsanyane	Infrastructure Enhancement Allocation	Access Road	01 April 2014	31 March 2016	6	250 000	12 107		5 700		(5 700)		Yes	No
2	UPGRADE TESTING STATION	Xhariep District Municipality	Xhariep	Infrastructure Enhancement Allocation	Upgrading of Testing Stations	01 April 2014	31 March 2016	6	13 500	189		1 500		(700)	800	Yes	No
Total: Upgrade and additions									263 500	12 296	0	7 200		(6 400)	800		

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Program me	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Total Adjusted Budget 2014/15	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish										
3. Rehabilitation, Renovation and Refurbishment (R thousand)																	
1	BULTFONTEIN- WESELSBRON	Tswelopele	Lejwelepuswa District Municipality	Provincial Roads Maintenance Grant	surfaced	01 April 2010	30 January 2015	6	82 928	56 622		700		(700)	- Yes	No	
2	THABA NCHU PUB TRPRT ROUTE ACC (CA)	Mangaung	Mangaung	Provincial Roads Maintenance Grant	gravel roads	01 February 2014	31 March 2016	6	37 000	164	1 000	9 000	20 000		30 000	Yes	Yes
3	ZASTRON- WEPENER	Mohokare/ Naledi	Xhariep	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads	01 April 2010	28 February 2015	6	145 306	87 060	2 581	23 229	56 709		82 519	Yes	No
4	BOTSHABELO TRANSPORT ROUTE	Mangaung	Metro FS	Provincial Roads Maintenance Grant	Road	01 April 2014	31 March 2015	6	20 000			5 000	5 000		5 000	No	No
5	DENEYSVILLE- SASOLBURG	Matlabe	Fzile Dabi District Municipality	Provincial Roads Maintenance Grant	Surfaced	01 April 2010	31 March 2017	6	65 000	21 505	4 150	37 350	53 718		95 218	Yes	No
	BETHLEHEM- LINDLEY	Ditlhabeng	Thabo Motlatsanyana District Municipality	Provincial Roads Maintenance Grant	Surfaced	31 March 2010	28 February 2014	6	205 050	217 695	-	-	17 051		17 051	No	No
7	Koonstad-Vrededorf	Mophale/ Nqwathe	Fzile Dabi District Municipality	Provincial Roads Maintenance Grant	Surfaced	01 April 2010	31 August 2014	6	170 000	156 462	1 600	14 400	58 901		74 901	Yes	No
Total: Rehabilitation, Renovation and Refurbishment									725 284	539 508	9 331	89 679	211 379	(700)	304 889		

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Program me	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Total Adjusted Budget 2014/15	Captured on EPR&E Yes/ No	EPWP Yes/No
				Date: Start	Date: Finish												
4. Maintenance and repairs (R thousand)																	
1	PARV'S THROUGH ROUTE	Nquthu	Fezile Dabi	Provincial Roads Maintenance Grant	SURFACED	01 March 2014	31 March 2015	6	44 460	4 960	6 100	29 900	25 041		61 041	Yes	No
2	MEADOW ROAD	Mangaung	Metro FS	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred road	01 April 2015	31 March 2017	6	56 950		3 585	27 267	5 000		35 852	Yes	No
3	MONONTSHA BORDER POST ROAD	Maluti-a-Phofung	Thabo Mofutsanyane	Provincial Roads Maintenance Grant	Upgrade of access road through Monontsha Pass in QwaQwa to Lesotho	01 April 2014	31 March 2018	6	200 000	61 714		10 000	3 045		13 045	Yes	No
4	QWAQWA-ROUTE4	Maluti-a-Phofung	Thabo Mofutsanyane	Provincial Roads Maintenance Grant	Upgrade of public transport routes	01 April 2014	31 March 2018	6	250 000	126 740		30 000	17		30 017	Yes	No
5	MILLING FOGSPRAY	Free State	Free State	Provincial Roads Maintenance Grant	SURFACED	01 April 2014	31 March 2018	6	100 000			48 139		(18 000)	30 139	Yes	No
6	MAINTENANCE CONTRACTS (CDP) (CU)	Free State	Free State	Provincial Roads Maintenance Grant	Programmed maintenance done with emerging contractors on the contractor development programme	01 April 2014	31 March 2018	6	874 000	110 314		120 000	16 611		136 611	Yes	No
7	WEIGH BRIDGE CALIBRATION	Free State	Free State	Provincial Roads Maintenance Grant	WEIGHBRIDGE	01 April 2014	31 March 2017	6	10 000			1 000	9		1 009		No
8	ROAD SIGNS CONTRACT (CA)	Free State	Free State	Provincial Roads Maintenance Grant	Replacement of poor road signage	01 April 2014	31 March 2017	6	55 000	39 563		10 000		(5 000)	5 000	Yes	No
9	ROAD MARKINGS CONTRACT	Free State	Free State	Provincial Roads Maintenance Grant	Re-painting of road markings throughout the Free State	01 April 2014	31 March 2017	6	50 000	6 460		20 000		(9 974)	10 026	Yes	No
10	FLOOD DAMAGE	All municipalities	Fezile Dabi	Provincial Roads Maintenance Grant	DISASTER AREAS ON GRAVEL ROAD AND BRIDGES	01 April 2014	31 March 2015	6				33 361	8 540		41 901	Yes	No
Total: Maintenance and repairs									1 640 410	349 751	9 685	329 667	58 263	(32 974)	364 641		

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Total Adjusted Budget 2014/15	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish									
4. Maintenance and repairs (R thousand)																
11	KROONSTAD-BOTHAVILLE	Mogalakga/Nala	Fezile Dabi	Provincial Roads Maintenance Grant	Milling and Reseal	01 April 2017	31 March 2019	226 320			3 000		(3 000)	0	Yes	No
12	WELKOM-BULTFONTEIN	Twelelopele/Majhabeng	Lejweleputswa	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads	01 April 2014	31 March 2016	86 000			3 000		(3 000)	0	Yes	No
13	GRASS CUTTING	Free State	Free State	Provincial Roads Maintenance Grant	Maintenance done with emerging contractors	01 April 2014	31 March 2018	75 000			18 000		(10 000)	8 000	Yes	No
14	KROONSTAD-VILJOENSROON	Mogalakga	Fezile Dabi	Provincial Roads Maintenance Grant	Milling and Reseal	01 April 2014	31 March 2017	33 530			33 530		(30 000)	3 530	Yes	No
15	HOOPSTAD-BULTFONTEIN	Twelelopele	Lejweleputswa	Provincial Roads Maintenance Grant	Milling and Reseal	01 April 2014	31 March 2017	68 450			48 450		(32 374)	16 076	Yes	No
16	POTHOLE REPAIR	Free State	Free State	Provincial Roads Maintenance Grant	SURFACED ROADS	01 April 2014	31 March 2018	874 000	52 803		80 263	81 956		162 219	Yes	No
17	HERTZOVILLE-HOOPSTAD	Twelelopele	Lejweleputswa	Provincial Roads Maintenance Grant	milling and reseal	01 April 2015	31 March 2017	65 040			22 000		(14 000)	8 000	Yes	No
18	REITZ-KESTEL	Nketoana	Thabo Mofutsanyane	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads	01 April 2014	30 March 2015	102 150	1 700	3 000	27 000	60 000		90 000	Yes	No
19	REITZ-TWEELING	Nketoana	Thabo Mofutsanyane	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads	01 March 2014	01 April 2017	9 028			9 028		(8 947)	81	Yes	No
20	CLOCOLAN-MARQUARD	Seisoto	Thabo Mofutsanyane	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads	01 April 2014	31 March 2017	35 000	6 870	1 200	10 800	23 206		35 206	Yes	No
Total: Maintenance and repairs								1 574 518	61 373	4 200	255 071	165 162	(101 321)	323 112		

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Program me	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Total Adjusted Budget 2014/15	Captured on EPR&E Yes/ No	EPWP Yes/No	
						Date: Start	Date: Finish											
																		4. Maintenance and repairs (R thousand)
21	HARRISMITH-OLIVERSHOE K	Makuli-a-Phofung Municipality	Thabo Mofusanyana District Municipality	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads			6			1 600	14 400	16 000		16 000	No	No	
22	LINDLEY-STEYNSRUS	Nketoana	Thabo Mofusanyana District Municipality	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads			6		71 228		26 000	26 000	(26 000)			No	No
23	HEILBRON-PETRUS STEYN P93_R EH	Nqwathe/ Nketoana	Fezile Dabi	Provincial Roads Maintenance Grant	Rehabilitation	01 May 2010	01 July 2013	6				11 900	11 900		11 900	No	No	
24	WARDEN - STANDERTON	Phumulela	Thabo Mofusanyane	Provincial Roads Maintenance Grant	Rehabilitation	01 May 2010	31 May 2013	6				11 904	11 904	(11 904)		No	No	
25	JIM FOUQUE-DENEYSVILLE	Matibane	Fezile Dabi	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads	01 April 2014	31 March 2016	6	341 350			38 130		(34 000)	4 130	Yes	No	
26	MEMEL-BOTHAS PASS	Phumulela	Thabo Mofusanyane	Provincial Roads Maintenance Grant	Rehabilitation of Provincial tarred roads	01 April 2014	30 March 2015	6	30 000	1 600	3 000	27 000	23 000		53 000	Yes	No	
27	VENTERSBURG-SENEKAL	Majabeng	Leywebeputswa	Provincial Roads Maintenance Grant	milling and reseal	01 April 2014	31 March 2016	6	117 327			42 327		(40 000)	2 327	Yes	No	
28	ENVIRONMENTAL MANAGEMENT PROGRAM	Free State	Free State	Provincial Roads Maintenance Grant	milling and reseal	01 March 2014	31 March 2017	6	52 000			25 000		(16 000)	9 000	Yes	No	
29	ROADS HLASELA PROGRAMME(ZIBAMBELE)	Free State	Free State	Provincial Roads Maintenance Grant	SURFACED ROADS	01 April 2015	30 March 2016	6				1 723	1 723	(1 723)		No	No	
Total Maintenance and repairs									540 677	72 828	4 600	198 384	90 527	(129 627)	96 357			
Total: Infrastructure									5 095 355	1 040 736	27 816	905 917	530 731	(285 938)	1 105 989			

NOTE: During the tabling of the budget, the projects Parys Through Route and Meadows Road were understated by R25 million and R5 million respectively on the 2014/15 Estimates of Provincial Revenue and Expenditure (EPRE), whilst the two projects were captured correctly with R 61 Million and R36 Million respectively on the BAS System at the beginning of the financial year.

Table 10.8.1: Revised Non infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Program	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Total Adjusted Budget 2014/15	Captured on EPR&E Yes/No	EPWP Yes/No
						Date: Start	Date: Finish										
<b>5. System (R thousand)</b>																	
1	MANAGEMENT OF ROAD TRANSPORT INFRASTRUCTURE	Thabo Mofutsanyana District Municipality	Thabo Mofutsanyana District Municipality	Provincial Roads Maintenance Grant	system			6	19 760				4 947		11 947	Yes	No
2	ROAD ASSETS MANAGEMENT SYSTEM	Mangaung	Metro F S	Provincial Roads Maintenance Grant	system			6	33 350					(2 084)	6 000	Yes	No
<b>Total Non Infrastructure</b>									53 110				4 947	(2 084)	17 947		

The table below illustrates the summary of infrastructure adjustment according to infrastructure categories.

**Table 10.8: Summary of Adjusted Infrastructure Appropriated**

Infrastructure	Main Appropriation 2014/15	Increase/ Decrease	Adjusted Appropriation 2014/15
<b>New infrastructure assets</b>	25 916	(9 516)	16 400
<b>Existing infrastructure assets</b>	<b>1 062 917</b>	<b>224 309</b>	<b>1 287 226</b>
Upgrading and additions	7 200	(6 400)	800
Rehabilitation, renovations and refurbishment	153 705	210 679	364 384
Maintenance and repair	902 012	20 030	922 042
<b>Infrastructure transfers</b>			
Current			
Capital			
<i>Capital infrastructure</i>	186 821	194 763	381 584
<i>Current infrastructure</i>	902 012	20 030	922 042
<b>Total Infrastructure</b>	<b>1 088 833</b>	<b>214 793</b>	<b>1 303 626</b>

**NOTE:** Reprioritisation from non-infrastructure (RAMS) with R1.000 million to infrastructure project (Trompsburg Transport Centre), increased the infrastructure.

The reprioritisation of R16.916 million from New and Replacement assets to goods and services line item in Security sub-programme reduced the total infrastructure.

An amount of R4.947 million for Management of Road Transport Infrastructure was excluded from Maintenance and Repairs as it forms part of Non-Infrastructure project.



**VOTE 11**

**DEPARTMENT OF AGRICULTURE  
AND RURAL DEVELOPMENT**

# Vote 11

## Department of Agriculture and Rural Development

### Adjusted budget summary

2014/15				
R thousand	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	669 270	684 474	(4 000)	15 204
<b>of which:</b>				
Current payments	395 951	417 074		3 475
Transfers and subsidies	232 924	231 023		11 436
Payments for capital assets	40 395	32 377	(4 000)	293
Payments for financial assets				
<b>Revenue Fund</b>	669 270	684 474	(4 000)	15 204
<b>Executive Authority</b>	MEC for Agriculture and Rural Development			
<b>Accounting Officer</b>	Director General : Agriculture and Rural Development			
<b>Website address</b>	<a href="http://www.fs.agric.za">www.fs.agric.za</a>			

### Aim

The vision of the Free State Department of Agriculture and Rural Development is “a dynamic, prosperous agricultural sector and a better life for rural communities in the Free State”.

### Changes to programme purposes, objectives and measures

There were no changes to programme purposes, objectives and measures of any Programme of budget during the course of the current financial year to date

### Adjusted Estimates of Provincial Revenue & Expenditure 2014

Table 11.1: Adjusted Estimates

Programme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Unspent	Other adjustment	Total adjustment appropriation	Adjusted appropriation
1. Administration	139 414			7 400		3 475	10 875	150 289
2. Sustainable Resource Management	28 243							28 243
3. Farmer Support and Development	322 915	1 436				10 000	11 436	334 351
4. Veterinary Services	63 499			(4 065)	(4 000)		(8 065)	55 434
5. Technology, Research and Development Services	58 773	293		(3 200)			(2 907)	55 866
6. Agricultural Economics	7 923			565			565	8 488
7. Structured Agricultural Training	16 913			1 400			1 400	18 313
8. Rural Development	31 590			(2 100)			(2 100)	29 490
Subtotal	669 270	1 729			(4 000)	13 475	11 204	680 474

## Economic classification

Programme	2014/15							
	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
R'thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
<b>Economic classification</b>								
Current payments	395 951			17 648		3 475	21 123	417 074
Compensation of employees	320 916					2 536	2 536	323 452
Goods and Services	75 035			17 648		939	18 587	93 622
Interest and rent on land								
Transfers and subsidies to;	232 924	1 436		(13 337)		10 000	(1 901)	231 023
Provinces and municipalities	60							60
Departmental agencies and account	936							936
Universities and technikons								
Public corporationsand private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	231 928	1 436		(13 337)		10 000	(1 901)	230 027
Payments for capital assets	40 395	293		(4 311)	(4 000)		(8 018)	32 377
Buildings and other fixed structures	25 707			(3 229)			(3 229)	22 478
Machinery and equipment	14 688	293		(1 082)	(4 000)		(4 789)	9 899
Biological assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total	669 270	1 729			(4 000)	13 475	11 204	680 474

**Programme 1: Administration**

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Office of the MEC	7 178			(1 687)			5 491
2. Senior Management	28 033			4 790			32 823
3. Corporate Services	69 971			7 400		3 475	80 846
4. Financial Management	29 120			(2 682)			26 438
5. Communication Services	5 112			(421)			4 691
<b>Total</b>	<b>139 414</b>			<b>7 400</b>		<b>3 475</b>	<b>150 289</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>134 863</b>			<b>7 146</b>		<b>3 475</b>	<b>145 484</b>
Compensation of employees	104 575			5 100		2 536	112 211
Goods and Services	30 288			2 046		939	33 273
Interest and rent on land							
<b>Transfers and subsidies to;</b>	<b>2 631</b>						<b>2 631</b>
Provinces and municipalities	60						60
Departmental agencies and account	871						871
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	1700						1 700
<b>Payments for capital assets</b>	<b>1 920</b>			<b>254</b>			<b>2 174</b>
Buildings and other fixed structures							
Machinery and equipment	1 920			254			2 174
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>139 414</b>			<b>7 400</b>		<b>3 475</b>	<b>150 289</b>

## Programme 2: Sustainable Resource Management

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Engineering Services	8 502						8 502
2. Land Care	16 271			57			16 328
3. Land Use Management	1 338			(57)			1 281
4. Disaster Risk Management	2 132						2 132
<b>Total</b>	<b>28 243</b>						<b>28 243</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>28 243</b>			(5 300)			<b>22 943</b>
Compensation of employees	20 145						20 145
Goods and Services	8 098			(5 300)			2 798
Interest and rent on land							
<b>Transfers and subsidies to;</b>				5 300			<b>5 300</b>
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				5 300			5 300
<b>Payments for capital assets</b>							
Buildings and other fixed structures							
Machinery and equipment							
Biological assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>28 243</b>						<b>28 243</b>

**Programme 3: Farmer Support and Development**

Subprogramme	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
R'thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Farmer Settlement & Development	146 531						146 531
2. Extension & Advisory Services	173 604	1 436				10 000	185 040
3. Food Security	2 780						2 780
<b>Total</b>	<b>322 915</b>	<b>1 436</b>				<b>10 000</b>	<b>334 351</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>108 622</b>			10 380			<b>119 002</b>
Compensation of employees	89 485						89 485
Goods and Services	19 137			10 380			29 517
Interest and rent on land							
<b>Transfers and subsidies to;</b>	<b>214 293</b>	<b>1 436</b>		<b>(10 380)</b>		<b>10 000</b>	<b>215 349</b>
Provinces and municipalities							
Departmental agencies and account	65						65
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	214 228	1 436		(10 380)		10 000	215 284
<b>Payments for capital assets</b>							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>322 915</b>	<b>1 436</b>				<b>10 000</b>	<b>334 351</b>

## Programme 4: Veterinary Services

Subprogramme	2014/15						
	Main appropriation	Adjustments Appropriation					Adjusted appropriation
R'thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Animal Health	35 333			(1 940)			33 393
2. Export Control	1 461			(525)			936
3. Veterinary Public Health	5 597			(1 000)			4 597
4. Veterinary Laboratory Services	21 108			(600)	(4 000)		16 508
<b>Total</b>	<b>63 499</b>			<b>(4 065)</b>	<b>(4 000)</b>		<b>55 434</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>52 887</b>			<b>(4 100)</b>			<b>48 787</b>
Compensation of employees	45 498			(4 000)			41 498
Goods and Services	7 389			(100)			7 289
Interest and rent on land							
<b>Transfers and subsidies to;</b>							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
<b>Payments for capital assets</b>	<b>10 612</b>			<b>35</b>	<b>(4 000)</b>		<b>6 647</b>
Buildings and other fixed structures							
Machinery and equipment	10 612			35	(4 000)		6 647
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>63 499</b>			<b>(4 065)</b>	<b>(4 000)</b>		<b>55 434</b>

**Programme 5: Technology, Research and Development Services**

Subprogramme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Research	22 543			4			22 547
2. Technology Transfer Services							
3. Infrastructure Support Services	36 230	293		(3 204)			33 319
<b>Total</b>	<b>58 773</b>	<b>293</b>		<b>(3 200)</b>			<b>55 866</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>30 910</b>			<b>1 400</b>		<b>1 400</b>	<b>32 310</b>
Compensation of employees	26 729			(1 600)		(1 600)	25 129
Goods and Services	4 181			3 000		3 000	7 181
Interest and rent on land							
<b>Transfers and subsidies to;</b>							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
<b>Payments for capital assets</b>	<b>27 863</b>	<b>293</b>		<b>(4 600)</b>		<b>(4 307)</b>	<b>23 556</b>
Buildings and other fixed structures	25 707			(3 229)		(3 229)	22 478
Machinery and equipment	2 156	293		(1 371)		(1 078)	1 078
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>58 773</b>	<b>293</b>		<b>(3 200)</b>		<b>(2 907)</b>	<b>55 866</b>



## Programme 6: Agricultural Economics Services

Subprogramme	2014/15	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
R'thousand	Main appropriation							
1. Agri-Business Support & Development	7 396			533			533	7 929
2. Macro-economic Support	527			32			32	559
<b>Total</b>	<b>7 923</b>			<b>565</b>			<b>565</b>	<b>8 488</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>7 923</b>			<b>565</b>			<b>565</b>	<b>8 488</b>
Compensation of employees	7 291			500			500	7 791
Goods and Services	632			65			65	697
Interest and rent on land								
<b>Transfers and subsidies to;</b>								
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>7 923</b>			<b>565</b>			<b>565</b>	<b>8 488</b>

**Programme 7: Structured Agricultural Training**

Subprogramme		2014/15						
		Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
R'thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
1. Higher Education & Training	11 397			1 400			1 400	12 797
2. Further Education & Training (FET)	5 516							5 516
<b>Total</b>	<b>16 913</b>			<b>1 400</b>			<b>1 400</b>	<b>18 313</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>16 913</b>			<b>1 400</b>			<b>1 400</b>	<b>18 313</b>
Compensation of employees	14 249							14 249
Goods and Services	2 664			1 400			1 400	4 064
Interest and rent on land								
<b>Transfers and subsidies to;</b>								
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>16 913</b>			<b>1 400</b>			<b>1 400</b>	<b>18 313</b>

## Programme 8: Rural Development

Subprogramme	2014/15	Adjustments Appropriation					
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation
R'thousand	Main appropriation						Adjusted appropriation
1. Development Planning & Monitoring	26 749			(2 100)			24 649
2. Social Facilitation	4 841						4 841
<b>Total</b>	<b>31 590</b>			<b>(2 100)</b>			<b>29 490</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>15 590</b>			<b>6 157</b>			<b>21 747</b>
Compensation of employees	12 944						12 944
Goods and Services	2 646			6 157			8 803
Interest and rent on land							
<b>Transfers and subsidies to;</b>	<b>16 000</b>			<b>(8 257)</b>			<b>7 743</b>
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	16 000			(8 257)			7 743
<b>Payments for capital assets</b>							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>31 590</b>			<b>(2 100)</b>			<b>29 490</b>

## Details of adjustments to Estimates of Provincial Revenue &amp; Expenditure 2014

## Roll-overs – R1.729 million

An amount of R1.729 million were requested for roll-over for the 2014/15 financial year of which R1.436 million is allocated to Programme 3: Farmer Support and Development for Farmer support households under the Ilima/Letsema conditional grant and an amount of R0.293 million is allocated to Programme 5: Technology, Research and Development Services for machinery and equipment under the Revenue Enhancement Allocation Fund

**Unforeseeable and unavoidable expenditure – R0**

Although extensive damage to farms were incurred during the windy season and an assessment was sent to Free State Department of Cooperative Governance and Traditional Affairs and the National Department of Agriculture, Forestry and Fisheries no funds have been made available.

**Virements and shifts**

There were several virements of funds between main divisions of the vote during the current financial year. The virements were as follows:

**(i) Programme 1: Administration**

**Compensation of employees:** An amount of R4.000 million was shifted from compensation of employees in Programme 4: Veterinary Services and R1.100 million from compensation of employees in Programme 5: Technology, Research and Development Services due to incorrect allocation of budget in the mentioned programmes.

**Goods and services:** An amount of R0.700 million was moved from Programme 8: Rural Development and R1.600 million from Programme 5: Technology, Research and Development Services, Infrastructure Enhancement Allocation to relieve the pressures on Contractors for the transport of staff to Glen under Programme 1: Administration.

**(ii) Programme 4: Veterinary Services**

**Compensation of employees:** An amount of R4.000 million was shifted from compensation of employees in Programme 4: Veterinary Services to Programme 1: Administration due to the incorrect allocation of budget.

**Goods and services:** R65 000 was moved to Programme 6: Agricultural Economics due to pressures experienced.

**(iii) Programme 5: Technology, Research and Development Services**

**Compensation of employees:** An amount of R1.600 million was moved to Programme 1: Administration and to Programme 6: Agricultural Economics due to incorrect allocation of budget.

**Payment for capital assets:** An amount of R1.600 million was moved to Programme 1: Administration to relieve the pressure of goods and services for the transport of staff to Glen.

**(iv) Programme 6: Agricultural Economics:**

**Compensation of employees:** An amount of R0.500 million was shifted from Programme 5: Technology, Research and Development Services due to incorrect allocation of budget.

**Goods and services:** An amount of R0.065 million was moved from Programme 4: Veterinary Services due to pressures experienced.

**(v) Programme 7: Structured Agricultural Training:**

An amount of R1.400 million was shifted from Programme 8: Rural Development due to pressures under goods and services.

**(vi) Programme 8: Rural Development**

**Goods and services:** An amount of R1.400 million was moved to Programme 7: Structured Agricultural Training due to pressures under goods and services.

**Transfers and subsidies:** An amount of R0.700 million was moved to Programme 1 Administration to relieve the pressure on audit fees.

Table 11.2: Details on virements and shifting within the department

Programmes Summary					
1. Administration 2. Sustainable Resource Management 3. Farmer Support and Development 4. Veterinary Services 5. Technology, Research and Development Services 6. Agricultural Economics 7. Structured Agricultural Training 8. Rural Development					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1:		(254)	Programme 1:		7 654
Goods and Services	Provision for Finance Leases for Machinery & Equipment	(254)	Compensation of employees	Identified over budgeting under programme 4 and programme 5	5 100
			Goods and Services	Identified Savings from other Programmes reprioritized to augment pressures in Programme 1	2 300
			Machinery and Equipment	Provision for Finance Leases for Machinery & Equipment	254
Percentage of programme budget		-0.2%			
Programme 2:		(5 300)	Programme 2:		5 300
Goods and Services	Correction of incorrect classification of Landcare projects	(5 300)	Transfer Payments	Correction of incorrect classification of Landcare projects	5 300
Percentage of programme budget		-3.8%			
Programme 3:		(10 380)	Programme 3:		10 380
Transfer Payments	Correction of incorrect classification of CASP projects	(10 380)	Goods and Services	Correction of incorrect classification of CASP projects	10 380
Percentage of programme budget		-36.8%			
Programme 4:		(4 100)	Programme 4:		35
Compensation of employees	Correct incorrect budget in Programme 1	(4 000)	Machinery and Equipment	Provision for equipment of a capital nature	35
Goods and Services	Identified Savings to augment pressures in Programme 6	(65)			
Goods and Services	Provision for equipment of a capital nature	(35)			
Percentage of programme budget		-1.3%			

Table 11.2: Details on virements and shifting within the department

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 5:		(6 529)	Programme 5		3 329
Compensation of employees	Reprioritising to augment the incorrect budget under programme 1	(1 600)	Goods and Services	Provision for current expenditure on the Glen Upgrading	3 000
Payment for capital assets	Reprioritisation from buildings and other fixed structures to Machinery and equipment	(329)			
Payment for capital assets	Provision for current expenditure on the Glen Upgrading	(3 000)	Payment for capital assets	Reprioritisation from buildings and other fixed structures to Machinery and equipment	329
Payment for capital assets	Identified Savings to augment pressures in Programme 1	(1 600)			
Percentage of programme budget		-10.3%			
Programme 6			Programme 6		565
			Compensation of employees	Reprioritising to augment the incorrect budget under programme 1	500
			Goods and Services	Identified Savings to augment pressures from Programme 4	65
Percentage of programme budget		0.0%			
Programme 7		- Programme 7			1 400
			Goods and services	Identified Savings to augment pressures from Programme 8	1 400
Percentage of programme budget		0.0%			
Programme 8		(9 657)	Programme 8		7 557
Goods and Services	Identified Savings to augment pressures from Programme 7	(1 400)	Goods and services	Reprioritization of transfer and subsidies to Goods and Services	7 557
Transfers and subsidies	Reprioritization of Transfers and subsidies to Goods and Services	(7 557)			
Transfers and subsidies	Identified Savings to augment pressures in Programme 1	(700)			
Percentage of programme budget		-30.6%			
Total		(36 220)			36 220

### Other adjustments – R6.000 million

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

1. A total amount of **R10.000 million** has been allocated to the department for production inputs to the Vrede Dairy.

#### Use of funds in emergency situations in terms of section 16 of the PFMA

No funds have been allocated in emergency situations in terms of section 16 of the PFMA.

#### Self-financing expenditure

No additional funding has been allocated to cover any costs.

**Funds shifted between votes following a transfer of function**

An amount of R3.475 million was allocated for the transfer of officials from the Department of Economic Development, Tourism and Environmental Affairs to the department for the functions at the Xhariep Fish Hatchery.

**Funds shifted within a vote to follow a functions shift within the same vote**

No funds were shifted within the vote to follow a function shift.

**Gifts, donations and sponsorships – R0.875 million**

The department will make a donation of R0.875 million to several female farmer winners as price money for winning the Female Farmer Event. The price money will exceed the R0.100 million limit, as the price money is R0.125 million each for category winners and R0.250 million for the overall winner of the event.

**Declared unspent – R4.000 million**

**Programme 4: Veterinary Services – R4.000 million**

Infrastructure Enhancement Allocation for the upgrading of Veterinary laboratories amounting to R4.000 million is surrendered to augment pressures within the Provincial Fiscus. This money was surrendered to assist the province with funding of pressures on the provincial bursaries

**Amounts forming a direct charge against the Provincial Revenue Fund – (R0.293 million)**

**Roll-over of funds**

R0.293 million has been rolled over for machinery and equipment under the Revenue Enhancement Allocation.

**Unforeseen/unavoidable expenditure**

No funds have been allocated relating to unforeseen/unavoidable expenditure.

**Other adjustments**

No adjustment will be made for expenditure already announced in the budget speech of the MEC for Finance but not allocated at that stage.

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

No additional funding has been allocated to cover costs due to significant and unforeseeable economic and financial events.

**Funds shifted within a vote**

No funds will be shifted following the shift of a function within the vote.

**Use of funds in emergency situations in terms of section 16 of the PFMA**

No funds will be used for emergency situations in terms of section 16 of the PFMA.

**Declared unspent**

No savings have been declared.

**Expenditure 2013/14 and preliminary expenditure 2014/15**

Table 11.3 Expenditure trends

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2014 - Mar 2014 % adjusted appropriation	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 14 - Sep 14 % of adjusted appropriation
1. Administration	139 316	79 418	57.01%	145 310	104%	150 289	83 644	55.66%
2. Sustainable Resource Management	30 737	10 941	35.60%	29 386	95.60%	28 243	14 915	52.81%
3. Farmer Support and Development	359 233	139 310	38.78%	356 332	99.19%	334 351	105 564	31.57%
4. Veterinary Services	46 634	23 443	50.27%	44 987	96.47%	55 434	23 262	41.96%
5. Technology, Research and Development	49 328	17 018	34.50%	48 822	98.97%	55 866	19 925	35.67%
6. Agricultural Economics	8 267	3 152	38.13%	8 394	101.54%	8 488	4 524	53.30%
7. Structured Agricultural Training	20 483	9 919	48.43%	19 263	94.04%	18 313	9 309	50.83%
8. Rural Development	33 334	16 919	50.76%	31 509	94.53%	29 490	19 243	65.25%
<b>Subtotal</b>	<b>687 332</b>	<b>300 120</b>	<b>43.66%</b>	<b>684 003</b>	<b>99.52%</b>	<b>680 474</b>	<b>280 386</b>	<b>41.20%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>687 332</b>	<b>300 120</b>	<b>43.66%</b>	<b>684 003</b>	<b>99.52%</b>	<b>680 474</b>	<b>280 386</b>	<b>41.20%</b>
<b>Current payments</b>	<b>379 662</b>	<b>190 120</b>	<b>50.08%</b>	<b>388 181</b>	<b>102.24%</b>	<b>417 074</b>	<b>218 801</b>	<b>52.46%</b>
Compensation of employees	298 549	152 257	51.00%	303 166	101.55%	323 452	161 161	49.83%
Goods and services	81 113	37 863	46.68%	84 768	104.51%	93 622	57 640	61.57%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>278 308</b>	<b>104 908</b>	<b>37.69%</b>	<b>264 487</b>	<b>95.03%</b>	<b>231 023</b>	<b>57 023</b>	<b>24.68%</b>
Provinces and municipalities	55	42		42	76.36%	60	16	26.67%
Departmental agencies and accounts	843	9	1.07%	9	1.07%	936		
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions								
Households	277 410	104 857	38%	264 436		230 027	57 007	24.78%
<b>Payments for capital assets</b>	<b>29 362</b>	<b>5 092</b>	<b>17%</b>	<b>30 914</b>	<b>105.29%</b>	<b>32 377</b>	<b>4 562</b>	<b>14.09%</b>
Buildings and other fixed structures	21 695	4 578	21%	24 430	112.61%	22 478	2 695	11.99%
Machinery and equipment	7 667	514	7%	6 484	84.57%	9 899	1 867	18.86%
Heritage assets								
Biological assets								
Software and other intangible assets								
Land and subsoil assets								
<b>Payments for financial assets</b>				<b>421</b>				
<b>Total</b>	<b>687 332</b>	<b>300 120</b>	<b>43.66%</b>	<b>684 003</b>	<b>99.52%</b>	<b>680 474</b>	<b>280 386</b>	<b>41.20%</b>

**Main expenditure trends for the first half of the 2014/15 financial year**

Expenditure in the first six months of 2014/15 financial year amounted to R280.386 million or 41.20 percent of the Adjusted Budget as compared to 43.66 percent for 2013/14 in the same period. The main reasons accounting for the spending trends are as follows:

**Programme 1: Administration**

Expenditure from this programme is at 55.66 percent after the first half of the current financial year. Expenditure on Goods and Services is a 61.57 percent and Transfers payments at 24.68 percent in the first six months of the current financial year.



The above is as a result of the chronic shortfall in the Department's working capital which the Department had raised at the beginning of the financial year. Expenditure is expected to continue to rise during the remainder of the financial year as a result of the anticipated escalation of transversal expenses associated with personnel transportation, audit fees and legal costs expenses which will be closely monitored to be in line with cost containment measures.

A higher than anticipated number of employees has opted to take retirement in the current financial year which has depleted the leave gratuity budget in the first six months of the current financial year. The budget will therefore have to be reprioritised to cover pressures under Transfers to Households in Programme 1.

#### **Programme 2: Sustainable Resource Management**

The spending of 52.81 percent from this specific Programme can be attributed towards the effective implementation of the projects related to Land Care and Disaster Management.

#### **Programme 3: Farmer Support and Development**

The slow start in the spending from this Programme can be attributed to the delay in the implementation of projects as a result of due diligence processes. Spending on grants has increased sharply in the first months of the second half of the year and is expected to be on par in the third and fourth quarter of the financial year.

#### **Programme 4: Veterinary Services**

The spending of 41.96 percent from this Programme can be attributed to the delay in the implementation of the Veterinary Laboratory project as a result of due diligence processes. Spending on the Infrastructure Enhancement Allocation related to the abovementioned project has increased in the first months of the second half of the year and is expected to be on par in the third and fourth quarter of the financial year.

#### **Programme 5: Technology, Research and Development Services**

The spending of 35.67 percent for this Programme can be attributed to the implementation of the Glen Upgrading Project for which work is still in progress.

#### **Programme 6: Agricultural Economics**

The spending of 53.3 percent for this Programme is in line with the budget objective.

#### **Programme 7: Structure Agricultural Training**

The spending of 50.83 percent for this Programme is in line with the budget objective.

#### **Programme 8: Rural Development**

The spending of 65.25 percent for this Programme is due to the effective implementation of projects for the 2014/15 financial year.

## Current Payments

Current expenditure during the first half of the current financial is 52.46 percent of the adjusted budget. This is despite the severe pressure on the Departments voted funds which are being offset by the slow expenditure in conditional grants. As at end September 2014 expenditure on departmental working capital of R417.074 million was at R218.801 million.

## Transfers and subsidies

Transfer payments to the value of R57.023 million were made during the first six months of the financial year, almost all of which can be attributed to projects. Included in the figure is expenditure for leave gratuities which has been depleted in the first half of the financial year.

## Payments for capital assets

The budget for capital spending has decreased substantially, relative to the same period in 2013/14. Spending and investment during the first half of the current financial year was at 14.09 percent.

## Departmental receipts

Table 11.4: Revenue trends

		2013/14				2014/15			
		Audited outcome				Actual receipts			
R thousand	Adjusted estimate	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 % of adjusted estimate
Departmental receipts	2 875	1 810	62.96%	3 026	105.25%	2 478	2 666	1 704	63.92%
Tax receipts									
Sales of goods and services other than capital receipts	2 091	1 097	52.46%	1 917	91.68%	1 770	1 958	1 378	70.38%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	11	3	27.27%	12	109.09%	12	12	2	16.67%
Sales of capital assets						224	224		
Financial transactions in assets and liabilities	773	710	91.85%	1 097	141.91%	472	472	324	68.64%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>2 875</b>	<b>1 810</b>	<b>62.96%</b>	<b>3 026</b>	<b>105.25%</b>	<b>2 478</b>	<b>2 666</b>	<b>1 704</b>	<b>63.92%</b>

## Main departmental revenue trends for the first half of 2014/15

The overall revenue budget for the 2014/15 financial year is adjusted upwards by R0.188 million to a total amount of R2.666 million. This upwards adjustment is mainly due to the revenue received from the sale of animals.

## Changes to transfers and subsidies, including conditional grants

Table 11.5: Summary of changes to transfers and subsidies per programme

2014/15							
R thousand	Main appropriation	Adjustment appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments	Total adjustments appropriation
<b>1. Administration</b>	<b>2 631</b>						<b>2 631</b>
<b>Current</b>							
Leave gratuities	1 700						1 700
Vehicle licence	60						60
SA Revenue Service							
AgriSETA	871						871
Donations							
<b>2. Sustainable Resource Management</b>							
<b>Current</b>				5 300			5 300
Households: Landcare projects				5 300			5 300
<b>3. Farmer Support and Development</b>	<b>214 293</b>	<b>1 436</b>		<b>(10 380)</b>		<b>10 000</b>	<b>215 349</b>
<b>Capital</b>							
Households: CASP Projects	118 426			(10 380)			108 046
Households: Illimal/Letsema Projects	60 802	1 436				1 436	62 238
Households: Mphahlele Projects	35 000					10 000	45 000
AgriSETA (CASP)	65						65
EPWP Projects							
<b>8. Rural Development</b>	<b>16 000</b>			<b>(8 257)</b>			<b>7 743</b>
<b>Capital</b>							
Household	16 000			(8 257)			7 743
<b>Total transfers and subsidies</b>	<b>232 924</b>	<b>1 436</b>		<b>(13 337)</b>		<b>10 000</b>	<b>231 023</b>

Table 11.6: Summary of changes to conditional grants :Provinces

2014/15							
R thousand	Main appropriation	Adjustment appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation
<b>2. Sustainable Resource Management</b>	<b>5 427</b>						<b>5 427</b>
LandCare	5 427						5 427
<b>3. Farmer Support and Development</b>	<b>209 587</b>						<b>211 023</b>
CASP	146 531						146 531
Illimal/Letsema	60 802	1 436				1 436	62 238
EPWP	2 254						2 254
<b>Total conditional grant: Province</b>	<b>215 014</b>						<b>216 450</b>

Table 11.7: Summary of changes Revenue Enhancement Allocation

		2014/15						
		Adjustment appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments	Total adjustments appropriation	Adjusted appropriation
5. Technology, Research and Development Services		293					293	293
Capital		293					293	293
Revenue Enhancement Allocation		293					293	293
Total Revenue Enhancement Allocation		293					293	293

### Revised Infrastructure project list

The table below should cater for amendments on infrastructure projects (including those on retention) for the current financial year as well as projects which were not included/ were omitted in the Estimate of Provincial Revenue and Expenditure for 2014/15 Revised Infrastructure project list.

Table 11.8 (a): Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Captured on EPWP Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish	Programme								
Total New replacement assets																
3. Upgrades and additions (R thousand)																
3.1	Glen Upgrading	Masibanyane	Lejweleputswa	IEA	Upgrading of Agricultural Institutes	2014/04	2015/03									
3.2	Vet Lab Upgrade	Mangaung Metro	Motho	IEA	Upgrading of Veterinary Laboratories	2014/04	2015/03							(4 000)		
Total Upgrades and additions																
4. Rehabilitation, renovations and refurbishments (R thousand)																
4.1	Office Maintenance	All Districts			Repair and maintenance of district offices											
Total rehabilitation, renovations and refurbishments																
5. Infrastructure transfers - capital																
4.1	Vrede Dairy	Phumelela	Thabo Mofutsanyane	IEA	Construction of dairy parlour and processing facility	2014/04	2016/03						10 000			
Total Infrastructure transfers - capital													10 000			

Table 11.8 (b): Revised project list: Non infrastructure

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Captured on EPR&E Yes/No	EPWP Yes/No
						Date: Start	Date: Finish									
1. New and replacement assets (R thousand)																
1	Mangaung Sheep & Goats processing facility	Mangaung Metro	Motheo	CASP	1 Multi-purpose processing facility	2014/04	2016/03		8 000				8 000		Yes	
2	MM Beef Value Chain Projects	Mangaung Metro	Motheo	CASP	Abattoir & Beef project	2014/04	2016/03		7 000				7 000		Yes	
3	Virginia Broiler Condo project	Matjhabeng	Lejweleputswa	CASP	Broiler production and abattoir	2014/04	2016/03		30 620				30 620		Yes	
4	Brandfort Poultry Cooperatives	Masilanyane	Lejweleputswa	CASP	Construction of Poultry houses	2014/04	2015/03		7 000				7 000		Yes	
5	TM Poultry Production	Nketwane	Thabo Mofutsanyane	CASP	2x broiler houses	2014/04	2015/03		8 000				8 000		Yes	
6	Ikeng Poultry	Matube	Fesile Dabi	CASP	1x 20 000 broiler structures	2014/04	2016/03		2 500				2 500		Yes	
7	Frankfort Poultry	Matube	Fesile Dabi	CASP	1X 40 000 broiler structure	2014/04	2016/03		4 500				4 500		Yes	
8	MM Agro-Processing	Mangaung Metro	Motheo	IlmatLetsema	Sorgum Processing	2014/04	2015/03								Yes	
9	MM Vegetable Production	Mangaung Metro	Motheo	IlmatLetsema	Vegetable processing	2014/04	2016/03									
10	Sandvet Vegetable project	Matjhabeng	Lejweleputswa	IlmatLetsema	Value adding infrastructure and packing storage	2014/04	2015/03								Yes	
11	Welhemina	Setsole	Equitable share	Equitable share		2014/04	2015/03						7 208			
11	Re Jala Peo	All Districts	Equitable share	Equitable share		2014/04	2015/03						535			
Total New replacement assets													75 363			

The table below illustrates the summary of infrastructure adjustment according to infrastructure categories.

**Table 11.9: Summary of Adjusted Infrastructure Appropriated**

Infrastructure	Main Appropriation 2014/15	Increase/ Decrease	Adjusted Appropriation 2014/15
<b>New infrastructure assets</b>	136 737		136 737
<b>Existing infrastructure assets</b>	<b>43 475</b>	<b>(1 893)</b>	<b>41 582</b>
Upgrading and additions	40 475	(4 600)	35 875
Rehabilitation, renovations and refurbishment			
Maintenance and repair	3 000	2 707	5 707
<b>Infrastructure transfers</b>	<b>35 000</b>	<b>10 000</b>	<b>45 000</b>
Current			
Capital	35 000	10 000	45 000
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Total Infrastructure</b>	<b>215 212</b>	<b>8 107</b>	<b>223 319</b>

**VOTE 12**

**DEPARTMENT OF SPORT, ARTS,  
CULTURE AND RECREATION**



# Vote 12

## Department of Sport, Art, Culture and Recreation

### Adjusted budget summary

2014/15				
R thousand	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>589 043</b>	<b>662 176</b>		<b>73 133</b>
<b>of which:</b>				
Current payments	350 541	379 548		29 007
Transfers and subsidies	39 486	53 739		14 253
Payments for capital assets	199 016	228 884		29 868
Payments for financial assets		5		5
<b>Direct charge against the Provincial Revenue Fund</b>	<b>589 043</b>	<b>662 176</b>		<b>73 133</b>
Executive Authority	MEC for Sport, Arts, Culture and Recreation			
Accounting Officer	Director General : Sport, Arts, Culture and Recreation			
Website address	www.sacr.fs.gov.za			

### Aim

Championing social transformation.

### Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives

### Adjusted Estimates of Provincial Revenue & Expenditure 2014

Table 12.1(a): Adjusted Estimates

Programme		2014/15					
R'thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
1. Administration	71 317			1 692			73 009
2. Cultural Affairs	88 495	85		8 661		41 007	138 248
3. Library and Archive Services	211 660	5 708		(11 297)	(3 000)		203 071
4. Sport and Recreation	217 571			944		29 333	247 848
<b>Total</b>	<b>589 043</b>	<b>5 793</b>			<b>(3 000)</b>	<b>70 340</b>	<b>662 176</b>

**Economic classification**

Table 12.1(b): Adjusted Estimates per Economic Classification

Economic classification		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
Current payments	350 541			(11 033)		40 040	29 007	379 548
Compensation of employees	232 801			(20 882)		833	(20 049)	212 752
Goods and Services	117 740			9 849		39 207	49 056	166 796
Interest and rent on land								
Transfers and subsidies to	39 486			9 953		4 300	14 253	53 739
Provinces and municipalities	7 000			7 196			7 196	14 196
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	32 486			2 571		4 300	6 871	39 357
Households				186			186	186
Payments for capital assets	199 016	5 793		1 075	(3 000)	26 000	29 868	228 884
Buildings and other fixed structures	192 712	5 708		(2 758)	(3 000)	26 000	25 950	218 662
Machinery and equipment	6 304	85		3 833			3 918	10 222
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Payments for financial assets				5			5	5
Total	589 043	5 793			(3 000)	70 340	73 133	662 176

## Programme 1: Administration

Table 12.1.1: Adjusted Estimates - Administration

Sub-programme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	
1.Office of the MEC	35 181			2 435			2 435	37 616
2.Corporate Services	36 136			(743)			(743)	35 393
<b>Total</b>	<b>71 317</b>			<b>1 692</b>			<b>1 692</b>	<b>73 009</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>70 996</b>			<b>1 632</b>			<b>1 632</b>	<b>72 628</b>
Compensation of employees	57 829			(225)			(225)	57 604
Goods and Services	13 167			1 857			1 857	15 024
Interest and rent on land								
<b>Transfers and subsidies to</b>				<b>48</b>			<b>48</b>	<b>48</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions								
Households				48			48	48
<b>Payments for capital assets</b>	<b>321</b>			<b>7</b>			<b>7</b>	<b>328</b>
Buildings and other fixed structures								
Machinery and equipment	321			7			7	328
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>				<b>5</b>			<b>5</b>	<b>5</b>
<b>Total</b>	<b>71 317</b>			<b>1 692</b>			<b>1 692</b>	<b>73 009</b>

**Programme 2: Cultural Affairs****Table 12.1.2: Adjusted Estimates - Cultural Affairs**

Sub-programme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Management	1 745			554			554	2 299
2. Arts and Culture	51 922			7 979		39 207	47 186	99 108
3. Museum Services	26 442			1 424		1 340	2 764	29 206
4. Heritage Resource Services	3 923			(555)		50	(505)	3 418
5. Language Seviles	4 463	85		(741)		410	(246)	4 217
<b>Total</b>	<b>88 495</b>	<b>85</b>		<b>8 661</b>		<b>41 007</b>	<b>49 753</b>	<b>138 248</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>81 477</b>			<b>426</b>		<b>38 707</b>	<b>39 133</b>	<b>120 610</b>
Compensation of employees	51 505			(877)		500	(377)	51 128
Goods and Services	29 972			1 303		38 207	39 510	69 482
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>5 419</b>			<b>2 265</b>		<b>2 300</b>	<b>4 565</b>	<b>9 984</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	5 419			2 221		2 300	4 521	9 940
Households				44			44	44
<b>Payments for capital assets</b>	<b>1 599</b>	<b>85</b>		<b>5 970</b>			<b>6 055</b>	<b>7 654</b>
Buildings and other fixed structures				5 493			5 493	5 493
Machinery and equipment	1 599	85		477			562	2 161
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>88 495</b>	<b>85</b>		<b>8 661</b>		<b>41 007</b>	<b>49 753</b>	<b>138 248</b>

## Programme 3: Library and Archive Services

Table 12.1.3: Adjusted Estimates - Library and Archive Services

Sub-programme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments		
1. Management	4 821			(77)			(77)	4 744
2. Library Services	202 297	5 708		(11 201)	(3 000)		(8 493)	193 804
3. Archive Services	4 542			(19)			(19)	4 523
<b>Total</b>	<b>211 660</b>	<b>5 708</b>		<b>(11 297)</b>	<b>(3 000)</b>		<b>(8 589)</b>	<b>203 071</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>126 634</b>			<b>(13 814)</b>			<b>(13 814)</b>	<b>112 820</b>
Compensation of employees	87 917			(18 682)			(18 682)	69 235
Goods and Services	38 717			4 868			4 868	43 585
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>7 000</b>			<b>3 261</b>			<b>3 261</b>	<b>10 261</b>
Provinces and municipalities	7 000			3 196			3 196	10 196
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions								
Households				65			65	65
<b>Payments for capital assets</b>	<b>78 026</b>	<b>5 708</b>		<b>(744)</b>	<b>(3 000)</b>		<b>1 964</b>	<b>79 990</b>
Buildings and other fixed structures	76 177	5 708		(6 496)	(3 000)		(3 788)	72 389
Machinery and equipment	1 849			5 752			5 752	7 601
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>211 660</b>	<b>5 708</b>		<b>(11 297)</b>	<b>(3 000)</b>		<b>(8 589)</b>	<b>203 071</b>

**Programme 4: Sport and Recreation**

Table 12.1.4: Adjusted Estimates - Sport and Recreation

Sub-programme		2014/15						
R'thousand	Main appropriation	Adjustments Appropriation						
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent adjustments	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Management	2 623			279		333	612	3 235
2. Sport	150 464			5 249		29 000	34 249	184 713
3. Recreation	34 840			(268)			(268)	34 572
4. School Sport	29 644			(4 316)			(4 316)	25 328
<b>Total</b>	<b>217 571</b>			<b>944</b>		<b>29 333</b>	<b>30 277</b>	<b>247 848</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>71 434</b>			<b>723</b>		<b>1 333</b>	<b>2 056</b>	<b>73 490</b>
Compensation of employees	35 550			(1 098)		333	(765)	34 785
Goods and Services	35 884			1 821		1 000	2 821	38 705
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>27 067</b>			<b>4 379</b>		<b>2 000</b>	<b>6 379</b>	<b>33 446</b>
Provinces and municipalities				4 000			4 000	4 000
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	27 067			350		2 000	2 350	29 417
Households				29			29	29
<b>Payments for capital assets</b>	<b>119 070</b>			<b>(4 158)</b>		<b>26 000</b>	<b>21 842</b>	<b>140 912</b>
Buildings and other fixed structures	116 535			(1 755)		26 000	24 245	140 780
Machinery and equipment	2 535			(2 403)			(2 403)	132
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>217 571</b>			<b>944</b>		<b>29 333</b>	<b>30 277</b>	<b>247 848</b>

## Details of adjustments to Estimates of Provincial Revenue & Expenditure 2014

### Roll-overs – R5.793 million

Programme 3: Library and Archive Services

R5.708 million

Libraries to be completed during the 2014/15 financial year as part of the Community Library Services Conditional Grant:

- Oppermansgronde Public Library
- Wepener Public Library
- Clarens Khubetswana Public Library
- Oranjeville Public Library

Programme 2:

R0.085 million

The Braille machine form part of Language Services strategic objective to make documents accessible to disabled persons.

### Unforeseeable/ unavoidable expenditure

None

### Virements and shifts

Details of all virements are discussed below.

Table 12.2: Details on virements and shifts within the department

<b>Programmes Summary</b>					
1. Administration					
2. Cultural Affairs					
3. Library and Archive Services					
4. Sport, Arts, Culture and Recreation					
<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>(225)</b>	<b>Programme 1</b>		<b>225</b>
Compensation of employees	Underspending as a result of funded vacancies not filled	(225)	Goods and services	To address increased demands on senior management support	165
			Transactions in financial assets	To cover debt write-offs	5
			Transfers to households	Leave pay outs with resignations or retirement of employees	48
			Machinery and equipment	Review of equipment needs	7
<b>Percentage of programme budget</b>		<b>%</b>			
<b>Programme 2</b>		<b>(877)</b>	<b>Programme 2</b>		<b>877</b>
Compensation of employees	Underspending as a result of funded vacancies not filled	(877)	Goods and services	Increase to support increased demands on arts and culture programmes	356
			Transfers to households	Leave pay outs with resignations or retirement of employees	44
			Machinery and equipment	Review of equipment needs	477
<b>Percentage of programme budget</b>		<b>%</b>	<b>Percentage of programme budget</b>		<b>%</b>



Table 12.2: Details on virements and shifts within a department

Programmes Summary					
1. Administration					
2. Cultural Affairs					
3. Library and Archive Services					
4.Sport, Arts, Culture and Recreation					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 3</b>		<b>(27 128)</b>	<b>Programme 3</b>		<b>15 832</b>
Compensation of employees	Underspending as a result of funded vacancies not filled, as well as extra provincial control measures instituted	(18 682)	Goods and services	Review of goods & services such as library materials and renovations to certain libraries	4 869
			Transfers to Municipalities	To refund municipalities for staff expenses as part of take-over of libraries	3 196
Buildings and other Fixed Structures	Construction of libraries delayed mainly as a result of appointments not timeley done by implementation agents	(8 446)	Transfers to Households	Unutilised leave payouts for officials who left the department	65
			Buidlings and other fixed structures	Security fencing of certain libraries	1 950
			Machinery and equipment	Review of equipment needs such as security systems	5 752
<b>Percentage of programme budget</b>					<b>%</b>
<b>Programme 1</b>					<b>823</b>
			Goods and services	To address increased demands on senior management support	823
<b>Percentage of programme budget</b>					<b>%</b>
<b>Programme 2</b>					<b>5 493</b>
			Buildings and other Fixed Structures	To address pressing infrastructure projects such as finalisation of projects from previous years and upgrades of an arts and culture centre	5 493
<b>Percentage of programme budget</b>					<b>%</b>
<b>Programme 4</b>					<b>4 980</b>
			Transfers to Muncipalities	To support World Beach Volleyball hosted in Mangaung	2 027
			Buildings and other Fixed Structures	To address fast-tracking of certain infrastructure projects ahead of schedule	2 953
<b>Percentage of programme budget</b>					<b>%</b>

Table 12.2: Details on virements and shifts within a department

Programmes Summary					
1. Administration					
2. Cultural Affairs					
3. Library and Archive Services					
4.Sport, Arts, Culture and Recreation					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 4		(8 209)	Programme 4		4 173
Compensation of employees	Mainly to align compensation to conditional grant business plan	(1 098)	Goods and services	Mainly to align goods & services to conditional grant business plan	1 821
Buildings and other Fixed Structures	Review of infrastructure projects within equitable share	(4 708)	Transfers to Municipalities	To support World Beach Volley ball hosted in Mangaung	1 973
Machinery and equipment	Reprioritisation of equipment needs to meet other pressures within programme	(2 403)	Transfers to Households	Unutilised leave pay outs for officials who left the department	29
			Transfer to non-profit institutions	To support Free State Sport Confederation with mobilisation of school children and communities	350
			Percentage of programme budget		%
			Programme 1		869
			Goods and services	Increase to support increased demands on arts and culture programmes	869
			Percentage of programme budget		%
			Programme 2		3 167
			Goods and services	Increase to support increased demands on arts and culture programmes	947
			Transfers to NPI's	To support increased demands by various arts and culture bodies	2 220
			Percentage of programme budget		%
Total		(36 439)	36 439		

**Other adjustments – R70.340 million****Programme 2: Cultural Affairs**

An additional amount of R41.007 million was allocated for the following:

- R36.507 million for Macufe 2014 in order to sustain the momentum of Macufe as a provincial project which put the Free State on the map in the country.
- R0.500 million for Mines Dance 2014
- R2.000 million for Macufe Development Programme 2014
- R1.700 million for the 2014 Heritage Day Celebrations which were extended to include the Cultural Built-up activities on order to be able to accentuate the Re Kgaba Ka Setso theme.
- R0.300 million for the celebration of indigenous languages

**Programme 4: Sport and Recreation**

An additional amount of R29.333 million was allocated for the following:

- R25.000 million for the upgrade of Seisa Ramabodu sport stadium
- R1.000 million for Fezile Dabi Stadium upgrades
- R1.000 million for Fauresmith Equestrian Endurance event
- R0.333 million for Sport Administration Learnership Programme
- R2.000 million for support of sporting codes

**Gifts, donations and sponsorships – R9.9 million**

The sponsorships for Macufe 2014 are as follows:

<b>Name of Sponsor</b>	<b>Total Cash</b>
Standard Bank	R1.000 million
National Lottery Board	R5.900 million
Department of Arts and Culture	R3.000 million
<b>Total</b>	<b>R9.900 million</b>

R2.5 million was received during the last quarter of the 2013/14 financial year for the Mine Dance festival 2014 (R0.5 million) and 2014 Macufe Development Programme (R2.000 million).

**Declared unspent – (R3.000 million)**

An amount R3.000 million has been declared unspent by the department and will be surrendered towards other provincial pressures:

Buildings and other fixed structures	R3 million
--------------------------------------	------------

**Expenditure 2013/14 and preliminary expenditure 2014/15****Table 12.3 Expenditure trends**

	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr - Sep 2013	Apr 2013 - Sep 2013 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 % adjusted appropriation	Adjusted appropriation	Apr - Sep 2014	Apr 14 - Sep 15 % of adjusted appropriation
R thousand								
1. Administration	68 054	34 778	51.10%	67 971	99.88%	73 009	38 499	52.73%
2. Cultural Affairs	127 409	86 031	67.52%	127 300	99.91%	138 248	77 877	56.33%
3. Library and Archive Services	122 085	45 748	37.47%	115 902	94.94%	203 071	53 908	26.55%
4. Sport and Recreation	233 351	121 256	51.96%	230 690	98.86%	247 848	139 836	56.42%
<b>Total</b>	<b>550 899</b>	<b>287 813</b>	<b>52.24%</b>	<b>541 863</b>	<b>98.36%</b>	<b>662 176</b>	<b>310 120</b>	<b>46.83%</b>
<b>Current payments</b>	<b>328 823</b>	<b>179 170</b>	<b>54.49%</b>	<b>328 599</b>	<b>99.93%</b>	<b>379 548</b>	<b>184 894</b>	<b>48.71%</b>
Compensation of employees	173 995	84 745	48.71%	173 980	99.99%	212 752	97 571	45.86%
Goods and services	154 828	94 425	60.99%	154 619	99.87%	166 796	87 323	52.35%
Interest and rent on land								
<b>Transfers and subsidies</b>	<b>42 817</b>	<b>20 124</b>	<b>47.00%</b>	<b>42 786</b>	<b>99.93%</b>	<b>53 739</b>	<b>22 561</b>	<b>41.98%</b>
Provinces and municipalities	13 104			13 103	99.99%	14 196	2 667	18.79%
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private								
Non-profit institutions	29 278	19 942	68.11%	29 249	99.90%	39 357	19 764	50.22%
Households	435	182	41.84%	434	99.77%	186	130	69.89%
<b>Payments for capital assets</b>	<b>178 884</b>	<b>88 519</b>	<b>49.48%</b>	<b>170 103</b>	<b>95.09%</b>	<b>228 884</b>	<b>102 660</b>	<b>44.85%</b>
Buildings and other fixed structures	171 440	85 984	50.15%	162 756	94.93%	218 662	101 265	46.31%
Machinery and equipment	7 432	2 535	34.11%	7 335	98.69%	10 222	1 395	13.65%
Heritage assets								
Software and other intangible assets	12			12	100.00%			
Land and subsoil assets								
<b>Payments for financial assets</b>	<b>375</b>			<b>375</b>		<b>5</b>	<b>5</b>	
<b>Total</b>	<b>550 899</b>	<b>287 813</b>	<b>52.24%</b>	<b>541 863</b>	<b>98.36%</b>	<b>662 176</b>	<b>310 120</b>	<b>46.83%</b>

**Main expenditure trends for the first half of the 2014/15 financial year**

Expenditure in the first six months of 2014/15 amounted to R 310.120 million or 46.83 percent of the adjusted appropriation of R662.176 million.

**Programme 1: Administration**

The expenditure trend in the first six months of the 2014/15 financial year is 11 percent higher in comparison with the same period in 2013/14 financial year, due to the cost of living adjustment and an increase in goods and services to support the full-fledged cross-cutting support activities.

**Programme 2: Cultural Affairs**

The expenditure trend in the first six months of the 2014/15 financial year is 9 percent lower compared to the expenditure of the same period in 2013/14 financial year. This is due to the reduction in advance payment made in terms of a service level agreement for Macufe.

**Programme 3: Library and Archive Services**

The expenditure trend in the first six months of 2014/15 financial year is 18 percent higher in comparison with the same period in 2013/14. This reflects the nature of Conditional Grant spend as dictated by the business plan.

**Programme 4: Sport and Recreation**

The expenditure trend in the first six months of 2014/15 is 15 percent higher than the same period of the 2013/14 financial year, due to infrastructure spending.

**Economic classification:****Current payments**

The expenditure trend in the first six months of the 2014/15 financial year is 3 percent higher in comparison with the same period of the 2013/14 financial year, due to the Macufe advance payments.

**Transfers and subsidies**

The transfer payments increased by 12 percent in the 2014/15 financial year in comparison with the same period for 2013/14 financial year, mainly due to the current transfer to the Free State Sport Confederation.

**Payments for capital assets**

The expenditure on machinery and equipment and Infrastructure is 16 percent higher in 2014/15 financial year in comparison with the same period in 2013/14, due to the fast track of Seisa Ramabolu stadium.

**Departmental receipts**

Table 12.4 Revenue collection trends

		2013/14				2014/15			
		Audited outcome				Actual receipts			
R thousand	Adjusted estimate	Apr 2013 - Sep 2013 %		Apr 2013 - Mar 2014 %		Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014 %	
		Apr 2013 - Sep 2013	adjusted appropriation	Apr 2013 - Mar 2014	adjusted estimate			Apr 2014 - Sep 2014	of adjusted estimate
Departmental receipts	13 843	4 380	31.64%	15 729	113.62%	11 176	20 676	1 573	7.61%
Tax receipts									
Sales of goods and services other than capital	10 189	1 095	10.75%	9 508	93.32%	10 760	10 360	1 183	11.42%
Transfers received	3 260	3 131	96.04%	5 891	180.71%		9 900	333	3.36%
Fines, penalties and forfeits	23	9	39.13%	32	139.13%	24	24	22	91.67%
Interest, dividends and rent on land	102	(2)	-1.96%	96	94.12%	108	108	4	3.70%
Sales of capital assets	8		0.00%	4	50.00%	8	8		0.00%
Financial transactions in assets and liabilities	261	147	56.32%	198	75.86%	276	276	31	11.23%
<b>Total</b>	<b>13 843</b>	<b>4 380</b>	<b>31.64%</b>	<b>15 729</b>	<b>113.62%</b>	<b>11 176</b>	<b>20 676</b>	<b>1 573</b>	<b>7.61%</b>

**Main departmental revenue trends for the first half of 2014/15**

The revenue collection in the first six months of the 2014/15 financial year is 36 percent lower in comparison with the revenue of the same period in 2013/14 financial year.

Due to the sponsorship raised for MACUFE 2014 the current year budget was adjusted upward by R9.9 million.

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

Table 12.5: Summary of changes to transfers and subsidies per programme

		2014/15						
R thousand	Main appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments		
1. Administration				48			48	48
Households				48			48	48
2. Cultural Affairs	5 419			2 265		2 300	4 565	9 984
Non-profit institutions								
Provincial Arts & Cultural Council	1 500			2 500		2 300	4 800	6 300
PACC (EPWP)	1 719			(1 719)			(1 719)	
FSACA	500							500
PANSALB	200							200
PGNC	1 000							1 000
PHRA	500							500
Various Art Organisations				1 440			1 440	1 440
Households				44			44	44
3. Library and Archive Services	7 000			3 261			3 261	10 261
Municipalities								
Current								
Mangaung	2 000							2 000
Dihlabeng	1 667							1 667
Maluti-A-Phofung	1 667							1 667
Metsimaholo	1 666							1 666
Phumelela				1 145			1 145	1 145
Ntetoana				1 268			1 268	1 268
Nala				783			783	783
Households				65			65	65
4. Sport and Recreation	27 067			4 379		2 000	6 379	33 446
Non-profit institutions								
Current								
FS Sport Confederation	19 874			350			350	20 224
FS Sport Confederation - NTC	3 000							3 000
Academies of Sport Councils	4 193					2 000	2 000	6 193
Mangaung				4 000			4 000	4 000
Households				29			29	29
Capital								
Municipalities								
Total transfers and subsidies	39 486			9 953		4 300	14 253	53 739

Table 12.6: Summary of changes to conditional grants: Sport Arts Culture and Recreation

2014/15								
		Adjustment appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	Total adjustment appropriation	Adjusted appropriation
<b>2. Cultural Affairs</b>	<b>2 131</b>							<b>2 131</b>
EPWP Integrated Grant	2 131							2 131
<b>3. Library and Archive Services</b>	<b>119 013</b>	<b>5 708</b>					<b>5 708</b>	<b>124 721</b>
Community Library Services Grant	119 013	5 708					5 708	124 721
<b>4. Sport and Recreation</b>	<b>42 898</b>							<b>42 898</b>
Mass Participation and Sport Development Grant	40 318							40 318
Social Sector EPWP Incentive Grant	2 580							2 580
<b>Total conditional grant: Sport Arts Culture and Recreation</b>	<b>164 042</b>	<b>5 708</b>					<b>5 708</b>	<b>169 750</b>

## Revised Infrastructure project list

Table 12.7 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Captured on EPR&E Yes/No	EPWP Yes/No	
						Date: Start											Date: Finish
						Programme											
1. New and replacement assets (R thousand)																	
1	Soutpan Ngomotseng Library	Masibongana	IEA		New Library	01 October 2013	30 April 2014	3	13 912	570		9 972		(3 493)	Yes	No	
2	Memel - Zandela Library	Phumelela	IEA		New Library	01 October 2013	30 April 2014	3	13 146	588		4 542		(1 636)	Yes	No	
3	Smithfield Mofutshepe Library	Mokotae	IEA		New Library	01 October 2013	30 April 2014	3	14 695	548		9 717		(3 429)	Yes	No	
4	Luckhoff Library	Lesemeng	IEA		New Library	01 October 2013	30 April 2014	3	13 330	588		4 796		(1 449)	Yes	No	
5	Arlington Library (R12 m)	Nketana	IEA		New Library	01 October 2013	30 April 2014	3	13 958	542		4 756		(1 439)	Yes	No	
6	Wepener Qbing Library (R17 m)	Naledi	Lib Serv C-Grant		New Library	Contractor appointed to commence 2013/14	2014/15	3	17 874	1 615		7 000	1 434		Yes	No	
7	Clerens Khutsiwana Library	Dhlabeng	Lib Serv C-Grant		New Library	01 October 2013	31 March 2016	3	21 482	1 890		7 000		(6 365)	Yes	No	
8	Oranjeville Library (R13 m)	Meisimaholo	Lib Serv C-Grant		New Library	01 October 2013	31 March 2015	3	13 974	1 014		7 000	3 583		Yes	No	
9	Bosibabela II Library	Mangung	Lib Serv C-Grant		New Library	Planning to commence 2014/15	2016/17	3	14 500			2 000	2 000		Yes	No	
10	Verkeerdeval T'shepang Library	Masibongana	Lib Serv C-Grant		New Library	Planning to commence 2014/15	2016/17	3	12 462			1 000	1 500		Yes	No	
11	Bolakanang Library	Lesemeng	Lib Serv C-Grant		New Library	Planning to commence 2014/15	2016/17	3	9 744			1 000	2 000		Yes	No	
12	Hobhouse Library		IEA		New Library			3				9 389		(200)	Yes	No	
13	Provincial Talent Development Centre for Netball	Mangung	IEA		New Library	16 January 2012	15 December 2012	3	3 490	4 787			39		No	No	
14	Provincial Talent Development Centre for Table tennis/Badminton	Mangung	IEA		New Library	08 December 2012	28 March 2013	3	5 301	8 043			48		No	No	
15	Fazile Dabi Stadium		Equitable Share		Stadium			4					1 000		No	No	
16	Turnahole Indoor Centre		IEA		Sport Centre			4					8 620		No	No	
17	Sipho Mutsi Indoor Centre		IEA		Sport Centre			4					10 445		No	No	
18	2 x indoor multi-purpose sport courts	All	IEA		Stadium	15/05/2013	30/11/2014	4	68 131	3 619		20 880		(20 880)	Yes	No	
19	2 x indoor multi-purpose sport courts	All	Equitable Share		Sport Courts	15/05/2013	30/11/2014	4	4 708	2 540		4 708		(4 708)	Yes	No	
Total New replacement assets									91 374	18 989	0	35 977	30 669	(43 999)			



Table 12/7 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date		Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2014/15 (TO)	Total budget 2014/15 (FROM)	Captured on EPR&E Yes/No	EPWP Yes/No
						Date: Start		Date: Finish									
2. Maintenance and repairs (R thousand)																	
20	Current Programme 1 - Administration Building Maintenance Cultural Affairs	All	All	IEA	Continuous								1 108	708			Yes
		All	All	IEA	Continuous								2 110		(708)		Yes
21	Building Maintenance Libraries	All	All	IEA	Continuous								2 764	200			Yes
Total Maintenance and repairs														908	(708)		
3. Upgrades and additions (R thousand)																	
22	Philippolis Museum	Kopanong		IEA	Museum	40 553	41 395	2		2 494	1 486		0	58			No/No
23	Basotho Cultural Village	Matlita-a-Phofung		IEA	Museum	41 340	30/07/2013	2		1 451	1 774		0	435			No/No
24	Thabo Mofutsanyane A&C	Matlita-a-Phofung		IEA										5 000			No/No
25	Various Library Security	All		Lib Serv C-Grant	Library									1 950			No/No
26	Diyatalawa Modular Library			Lib Serv C-Grant	Library			3				0	0	1 500			No/No
27	Openermansgronde Library Hall	Letsemeng		Lib Serv C-Grant	Library	2012 Apr	2013 Mar	3		2 983	2 000	0	0	56			No/No
28	Charles Mopedi Stadium			IEA	Stadium			4						7 500			No/No
29	Kaizer Sebothelo Stadium			IEA	Stadium			4				9 600			(2 900)		Yes/No
30	Seasa Ramaboli Stadium	Manguang		IEA	Stadium			4				81 337		25 000			
31	Dormitories for Netball	Manguang		IEA	Dormities			4						81			No/No
Total Upgrades and additions										6 928	5 260	0	90 937	41 580	(2 900)		
TOTAL																	
										98 302	24 249	0	126 914	73 157	(47 207)		

The table below illustrates the summary of infrastructure adjustment according to infrastructure categories.

Table 12.8 Infrastructure Adjusted Appropriation

Infrastructure	Main Appropriation 2014/15	Increase/Decrease	Adjusted Appropriation
<b>New infrastructure assets</b>	93 765	(12 930)	80 835
<b>Existing infrastructure assets</b>	<b>105 449</b>	<b>38 880</b>	<b>144 329</b>
Upgrading and additions			
Rehabilitation, renovations and refurbishment	98 947	38 680	137 627
Maintenance and repair	6 502	200	6 702
<b>Infrastructure transfers</b>	<b>3 000</b>		<b>3 000</b>
Current			
Capital	3 000		3 000
<i>Capital infrastructure</i>	192 712	25 750	218 462
<i>Current infrastructure</i>	6 502	200	6 702
<b>Total Infrastructure</b>	<b>202 214</b>	<b>25 950</b>	<b>228 164</b>

#### Reasons for increase in capital projects (new infrastructure assets and existing infrastructure assets)

The main increase is to fund the payment of the project which made physical progress beyond the MTEF allocation and the completion of which was brought forward to 31 March 2015. In other cases, non-performing projects are deferred to the outer three financial years and the subsequent funds are utilised during the current year to address commitments rolled over from previous financial year for final completion of projects and or retention.

**VOTE 13**

**DEPARTMENT OF HUMAN  
SETTLEMENTS**

**Vote 13****Department of Human Settlements****Adjusted budget summary**

2014/15				
R thousand	Main Appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 210 317</b>	<b>1 213 332</b>	<b>(785)</b>	<b>3 800</b>
<i>of which:</i>				
Current payments	141 551	144 916		3 365
Transfers and subsidies	1 066 622	1 065 837	(785)	
Payments for capital assets	2 144	2 579		435
Payments for financial assets				
<b>Revenue Fund</b>	<b>1 210 317</b>	<b>1 213 332</b>	<b>(785)</b>	<b>3 800</b>
<b>Executive Authority</b>	<b>MEC for Cooperative Governance , Traditional Affairs and Human Settlements</b>			
<b>Accounting Officer</b>	<b>Head of the Department : Human Settlements</b>			
<b>Website address</b>	<a href="http://www.fscogtahs.gov.za">www.fscogtahs.gov.za</a>			

**Aim**

Developmental Integrated Human Settlements in the Free State.

**Changes to programme purposes, objectives and measures**

There were no changes to programme purposes and measurable objectives.

**Adjusted Estimates of Provincial Revenue & Expenditure 2014**

Table 13.1(a): Adjusted Estimates

Programme		2014/15						
R\thousand	Main appropriation	Roll-overs	Adjustments Appropriation Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustment	Total adjustment appropriation	Adjusted appropriation
1.Administration	79 922			1 735		3 015	4 750	84 672
2.Housing Needs, Research & Planning	18 133			(1 556)			(1 556)	16 577
3.Housing Development	1 110 710			545			545	1 111 255
4.Housing Assets Management Property Management	1 552			(724)			(724)	828
Subtotal	1 210 317					3 015	3 015	1 213 332
Direct charge against the Provincial Revenue Fund								
Item								
Total	1 210 317					3 015	3 015	1 213 332

## Table 13.1(b): Adjusted Estimates

Programme		2014/15						
		Adjustments Appropriation						
R'thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustment	Total adjustment appropriation	Adjusted appropriation
<b>Economic classification</b>								
<b>Current payments</b>	141 551			665		2 700	3 365	144 916
Compensation of employees	103 491							103 491
Goods and Services	38 060			615		2 700	3 315	41 375
Interest and rent on land				50			50	50
<b>Transfers and subsidies to;</b>	1 066 622			(785)			(785)	1 065 837
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons	1 108			(300)			(300)	808
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	1 065 514			(485)			(485)	1 065 029
<b>Payments for capital assets</b>	2 144			120		315	435	2 579
Buildings and other fixed structures								
Machinery and equipment	2 144			120		315	435	2 579
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	1 210 317					3 015	3 015	1 213 332

**Programme 1: Administration**

Table 13.1.1: Adjusted Estimates

Subprogramme		2014/15					
		Adjustments Appropriation					
Rthousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustment	Total adjustment appropriation
1. Corporate Services	79 922			1 735		3 015	4 750
<b>Total</b>	<b>79 922</b>			<b>1 735</b>		<b>3 015</b>	<b>4 750</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>79 198</b>			<b>1 577</b>		<b>2 700</b>	<b>4 277</b>
Compensation of employees	52 792						
Goods and Services	26 406			1 527		2 700	4 227
Interest and rent on land				50			50
<b>Transfers and subsidies to:</b>							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
<b>Payments for capital assets</b>	<b>724</b>			<b>158</b>		<b>315</b>	<b>473</b>
Buildings and other fixed structures							
Machinery and equipment	724			158		315	473
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>79 922</b>			<b>1 735</b>		<b>3 015</b>	<b>4 750</b>

84 672

## Programme 2: Housing Needs, Research &amp; Planning

Table 13.1.2: Adjusted Estimates

Subprogramme		2014/15					
R thousand	Main appropriation	Adjustments Appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustment	
1.Administration	1 853			(48)			1 805
2.Policy	2 891			(152)			2 739
3.Planning	13 389			(1 356)			12 033
<b>Total</b>	<b>18 133</b>			<b>(1 556)</b>			<b>16 577</b>
<b>Economic classification</b>							
<b>Current payments</b>	16 035			(1 010)			15 025
Compensation of employees	10 488						10 488
Goods and Services	5 547			(1 010)			4 537
Interest and rent on land							
<b>Transfers and subsidies to;</b>	1 616			(546)			1 070
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons	1 108			(300)			808
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	508			(246)			262
<b>Payments for capital assets</b>	482					0	482
Buildings and other fixed structures							
Machinery and equipment	482					0	482
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>18 133</b>			<b>(1 556)</b>			<b>16 577</b>

**Programme 3: Housing Development**

Table.13.1.3: Adjusted Estimates

Subprogramme		2014/15				
R'thousand	Main appropriation	Adjustments Appropriation				
		Roll-overs Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustment	Total adjustment appropriation
1.Administration	46 954		545			545
2.Financial Interventions	152 189		92 651			92 651
3.Incremental Interventions	742 976		(61 702)			(61 702)
4.Social and Rental Intervention	168 591		(32 810)			(32 810)
5.Rural Interventions			1 861			1 861
<b>Total</b>	<b>1 110 710</b>		<b>545</b>			<b>545</b>
<b>Economic classification</b>						
<b>Current payments</b>	44 766		822			822
Compensation of employees	39 103		724			724
Goods and Services	5 663		98			98
Interest and rent on land						
<b>Transfers and subsidies to;</b>	1 065 006		(239)			(239)
Provinces and municipalities						
Departmental agencies and account						
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households	1 065 006		(239)			(239)
<b>Payments for capital assets</b>	938		(38)			(38)
Buildings and other fixed structures						
Machinery and equipment	938		(38)			(38)
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
<b>Payments for financial assets</b>						
<b>Total</b>	<b>1 110 710</b>		<b>545</b>			<b>545</b>
						<b>1 111 255</b>



**Programme 4: Housing Assets Management Property Management**

Table 13.1.4: Adjusted Estimates

Subprogramme		2014/15						
		Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
R'thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustment		
Housing Asset Management	1 552			(724)			(724)	828
<b>Total</b>	<b>1 552</b>			<b>(724)</b>			<b>(724)</b>	<b>828</b>
<b>Economic classification</b>								
<b>Current payments</b>	1 552			(724)			(724)	828
Compensation of employees	1 108			(724)			(724)	384
Goods and Services	444							444
Interest and rent on land								
<b>Transfers and subsidies to;</b>								
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>1 552</b>			<b>(724)</b>			<b>(724)</b>	<b>828</b>

Table 13.2: Details on virements and shifts within a department

Programmes Summary					
1.Administration					1 735
2.Housing Needs, Research & Planning		(1 556)			
3. Housing Development		(277)			822
4. Housing Assets Management		(724)			
<b>Total</b>		<b>(2 557)</b>			<b>2 557</b>
<b>FROM:</b>			<b>TO:</b>		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 2</b>		<b>(1 556)</b>	<b>Programme 1</b>		<b>1 556</b>
Households (Current transfers)	Reprioritisation	(246)	Goods and services	To defray excess expenditure on goods & services	1 527
Universities & Technikons	Reprioritisation	(300)	Interest and rent on land	To defray excess expenditure on goods & services	29
Goods and Services	saving on goods& services	(1 010)			
<b>Percentage of programme budget</b>		<b>8%</b>			
<b>Programme 3</b>		<b>(277)</b>	<b>Programme 3</b>		<b>98</b>
Households (Current transfers)	Reprioritisation	(239)	Goods and Services	Reprioritisation	98
Capital assets	Saving on capital assets	(38)			
			<b>Programme 1</b>		<b>179</b>
			Machinery and equipment	To defray excess expenditure on goods & services	158
			Interest and rent on land	To defray excess expenditure on goods & services	21
<b>Percentage of programme budget</b>		<b>1%</b>			
<b>Programme 4</b>		<b>(724)</b>	<b>Programme 3</b>		<b>724</b>
Goods and Services	saving on goods & services	(724)	Compensation of employees	To defray excess expenditure on goods & services	724
<b>Percentage of programme budget</b>		<b>46%</b>			
<b>Total</b>		<b>(2 557)</b>			<b>2 557</b>

### Other adjustments

The Department received a donations amounting to R0.315 million from Etso Civils, Ernst & Young and Mafuri Infrastructure Africa (MIA) towards prize money for Govan Mbeki awards. The Department paid the amount into Provincial Revenue Fund and requested the amount to be appropriated in the 2014/15 Adjusted Estimates of Provincial Revenue and Expenditure.

The total amount of R2.7 million has been provisionally allocated by the Department of Provincial Treasury to alleviate the enormous pressure that Department is experiencing on goods and services.

**Virements**

The amount of R1.735 million was taken from programmes 2 (Housing Needs, Research & Planning) and programme 3 (Housing Development) to defray excess expenditure on the audit fees; forensic investigations, legal cost, fleet management and operating leases on programme 1 (Administration).

Programme 2 (Housing Needs, Research & Planning) allocated an amount of R1.556 million to relieve pressure on goods and services in programme 1 (Administration) on the following items: audit fees, forensic investigations, legal cost, and fleet management and operating leases.

Programme 3 (Housing Development) effected an amount of R0.179 million as a virement to defray excess expenditure on goods and services and capital payments on programme 1 (Administration). The programme received an amount of R0.724 million from programme 4 (Housing Asset Management Property Management) to relief pressure on compensation of employees.

The amount of R0.724 million was effected as a virement from programme 4 (Housing Assets Management Property Management) to defray excess expenditure on programme 3 (Housing Development) on compensation of employees.

**Expenditure 2013/14 and preliminary expenditure 2014/15**

Table 13.3 Expenditure trends

R thousand	2013/14 Expenditure outcome					2014/15 Preliminary expenditure		
	Adjusted appropriation	Apr 2013 - Sep 2013 % adjusted		Apr 2013 - Mar 2014 % adjusted		Adjusted appropriation	Apr 14 - Sep 14 % of adjusted	
		Apr 2013 - Sep 2013	2013	Apr 2013 - Mar 2014	2014		Apr 2014 - Sep 2014	% of adjusted appropriation
1.Administration	67 912	22 402	33.0%	68 257	99.4%	84 672	39 759	47.0%
2.Housing Needs, Research & Planning	13 615	5 806	42.6%	12 829	97.2%	16 577	8 900	53.7%
3.Housing Development	1 174 343	264 270	22.5%	1 400 500	99.9%	1 111 255	418 214	37.6%
4.Housing Assets Management	1 155	424	36.7%	175	17.4%	828	338	40.8%
<b>Subtotal</b>	<b>1 257 025</b>	<b>292 902</b>	<b>23.3%</b>	<b>1 481 761</b>	<b>99.8%</b>	<b>1 213 332</b>	<b>467 211</b>	<b>38.5%</b>
Direct charge against the Provincial Revenue Fund								
<b>Total</b>	<b>1 257 025</b>	<b>292 902</b>	<b>23.3%</b>	<b>1 481 761</b>	<b>117.88%</b>	<b>1 213 332</b>	<b>467 211</b>	<b>38.51%</b>
<b>Current payments</b>	<b>132 984</b>	<b>52 042</b>	<b>39.1%</b>	<b>128 380</b>	<b>96.54%</b>	<b>144 916</b>	<b>74 849</b>	<b>51.65%</b>
Compensation of employees	95 482	35 878	37.6%	92 442	99.8%	103 491	54 054	52.2%
Goods and services	37 454	16 121	43.0%	35 832	95.5%	41 375	20 784	50.2%
Interest and rent on land	48	43		106	100.0%	50	11	22.0%
	-							
<b>Transfers and subsidies</b>	<b>1 122 301</b>	<b>240 526</b>	<b>21.4%</b>	<b>1 351 801</b>	<b>120.4%</b>	<b>1 065 837</b>	<b>391 396</b>	<b>36.7%</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	355					808	200	24.8%
Public corporations & private enterprises								
Non-profit institutions								
Households	1 121 946	240 526	21.4%	1 351 801	100.0%	1 065 029	391 196	36.7%
<b>Payments for capital assets</b>	<b>1 740</b>	<b>334</b>	<b>19.2%</b>	<b>1 379</b>	<b>79.3%</b>	<b>2 579</b>	<b>966</b>	<b>37.5%</b>
Buildings and other fixed structures								
Machinery and equipment	1 740	334	19.2%	1 379	64.9%	2 579	966	37.5%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
<b>Payments for financial assets</b>				201				

**Main expenditure trends for the first half of the 2014/15 financial year****Programme 1: Administration**

The programme recorded actual expenditure of R39.759 million or 47.0 percent in the first six months of the current financial year after taking into account the amount of R3.015 million allocated for adjustment budget from Provincial Treasury and virement of R1.735 million from the following programmes: Programme 2 (Housing Needs, Research and Planning) amounting to R1.556 million and Programme 3 (Housing Development) amounts to R0.179 million. It is anticipated that the expenditure in the programme will improve in the remaining months of the financial year.

**Programme 2: Housing Needs, Research and Planning**

The programme spent 53.7 percent for the first six months of the financial year compared to 42.6 per cent spent in the previous financial year for the same period. The more spending on

this programme is on compensation of employees as the programme anticipates over expenditure on compensation of employees.

**Programme 3: Housing Development**

The programme spent 37.6 percent for the first six months of the financial year which depicts an increase of approximately 15.10 percent as compared to the first six months of the previous financial year. The programme spent high percentage on compensation of employees as the programme projected over expenditure on compensation for the remaining months of the financial year. The conditional grants spending seemed to be sluggish due to the delay experienced as a result of lack of technical capacity relating to delivery of houses.

**Programme 4: Housing Assets Management**

The programme spent R0.338 million or 40.8 percent from the adjusted budget of R0.828 million, the spending in this programme is anticipated to improve towards the end of the third quarter as there are outstanding invoices to be paid relating to municipal rates and taxes.

**Economic Classification****Current payments**

There is no adjustment on compensation of employees, however it indicate the probability of over spending as the end of second quarter spent 52.2 percent. The goods and services adjusted by an amount of R2.7 million and are on the required benchmark as they spent 50.2 percent on the first six month of the financial year.

**Transfers and subsidies**

The universities and technikons budget adjusted down due to slow spending as they spent 24.8 per cent. The Human Settlements Development Grant (HSDG) spent 36.7 percent at the end of the second quarter; however the expenditure expected to increase in the third quarter.

**Payment for capital assets**

Payment for capital assets spent 37.5 percent, the expenditure expected to increase in the third quarter.

## Departmental receipts

Table 13.4 Expenditure trends

		2013/14				2014/15			
		Audited outcome				Actual receipts			
R thousand	Adjusted estimate	Apr 2013 - Sep 2013	Apr 2012 - Sep 2012 % adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013- Mar 2014 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 % of adjusted estimate
Departmental receipts	220	130	59.1%	655	297.7%	802	872	706	81.0%
Tax receipts									
Sales of goods and services other than Transfers received	60	41	68.3%	284	473.3%	70	96	64	66.7%
Fines, penalties and forfeits									
Interest, dividends and rent on land	10	8	80.0%	14	140.0%	10	8	4	50.0%
Sales of capital assets									
Financial transactions in assets and liabilities	150	81	54.0%	357	238.0%	722	768	638	83.1%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
<b>Total</b>	<b>220</b>	<b>130</b>	<b>59.09%</b>	<b>655</b>	<b>297.7%</b>	<b>802</b>	<b>872</b>	<b>706</b>	<b>81.0%</b>

## Main departmental revenue trends for the first half of 2014/15

The department collected an amount of R0.701 million in the first half of the 2014/15 financial year. This was attributed by sales of goods and services amounting to R0.068 million related to insurance and garnishee. An amount of R0.628 million was collected on financial transaction in asset and liabilities. The amount of R0.005 million was collected from interest, dividends and rent on land.

## Changes to transfers and subsidies, including conditional grants

Table 13.5: Summary of changes to transfers and subsidies per programme

2013/14								
		Adjustment appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent	Other adjustments	Total adjustments appropriation	Adjusted appropriation
1.Administration								
	Households:Empl S/Ben:Injury on Duty						-	-
	Households:Donations & Gifts(Cash)							-
	2.Housing Needs,Research &Planning	1 616		(546)			(546)	1 070
	Households:leave gratuity	150		(150)			(150)	-
	Households:Injury on Duty	108		(88)			(88)	20
	Universities and Technikons	1 108		(300)			(300)	808
	Households:Donations & Gifts(Cash)	250		(8)			(8)	242
	3.Housing Development	1 065 006		(239)			(239)	1 064 767
	Households:Empl S/Ben:Injury on Duty							-
	Human Settlements Development Grant	1 063 756						1 063 756
	Households:Donations & Gifts(Cash)	1 250		(239)			(239)	1 011
	Universities and Technikons							
Total transfers and subsidies		1 066 622		(785)			(785)	1 065 837

Table 13.6: Summary of changes to conditional grants

2014/15							
R thousand	Main appropriation	Adjustment appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent	Other adjustments	
<b>3. Housing Development</b>	<b>1 063 756</b>						<b>1 063 756</b>
<b>Human Settlements Development Grant</b>							
Financial Interventions	152 189			92 651		92 651	244 840
Incremental Interventions	742 976			(61 702)		(61 702)	681 274
Social and Rental Intervetion	168 591			(32 810)		(32 810)	135 781
Rural Intervention				1 861		1 861	1 861
<b>Total conditional grant: Free</b>	<b>1 063 756</b>						<b>1 063 756</b>

## NOTES

[illegible]