

VOTE 14

GAUTENG PROVINCIAL TREASURY

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	412 774	428 274		15 500
<i>of which:</i>				
Current payments	361 863	349 666	(12 197)	
Transfers and subsidies	50 000	76 738		26 738
Payments for capital assets	911	1 870		959
Payment for financial assets				
Executive authority	MEC for Finance			
Accounting officer	Head of Department			

1. Vision and mission

Vision

To provide strategic leadership in financial and fiscal matters that promotes the sustainable social and economic development of the people of Gauteng so that all may enjoy value for money services of the highest quality.

Mission

We are an activist Treasury that enables and promotes quality service delivery for the citizens of Gauteng through:

- Sustainable funding that ensures developmentally focused allocation of resources and innovative revenue generation;
- Efficient cash management that ensures sustainable liquidity levels in the province;
- Effective financial management and reporting that ensures responsible stewardship and transparent resource utilization and expenditure; and
- A well-structured governance framework that ensures accountability, transparency and fiscal discipline in line with statutory obligation.

2. Changes to programme purpose and objectives

The changes to programme purposes and objectives are reflected in the 2014/15 Revised Annual Performance Plan.

3. Summary of Adjusted Estimates of Departmental Expenditure 2014/15

TABLE 14.1 GAUTENG PROVINCIAL TREASURY

Programmes	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/ unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
1. Administration	95 852				2 900				2 900	98 752
2. Sustainable Resource Management	141 606	(9 500)						25 000	15 500	157 106
3. Financial Governance	117 174				(2 900)				(2 900)	114 274
4. Provincial Accounting Services	58 142									58 142
Total for programmes	412 774	(9 500)						25 000	15 500	428 274

Economic classification	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/ unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
Current payments	361 863	(9 500)			(2 697)				(12 197)	349 666
Compensation of employees	244 877	(9 500)			(1 606)				(11 106)	233 771
Goods and services	116 986				(1 091)				(1 091)	115 895
Interest and rent on land										
Transfers and subsidies	50 000				1 738			25 000	26 738	76 738
Provinces and municipalities										
Departmental agencies and accounts	50 000							25 000	25 000	75 000
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households					1 738				1 738	1 738
Payments for capital assets	911				959				959	1 870
Buildings and other fixed structures										
Machinery and equipment	911				684				684	1 595
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets					275				275	275
Payments for financial assets										
Total economic classification	412 774	(9 500)						25 000	15 500	428 274

In the new term in which the programme of radical transformation, modernisation and re-industrialisation drives service delivery in the province, the Provincial Treasury plays a central role as the custodian of the provincial financial resources by supporting all ten pillars through reprioritizing and ensuring all the new provincial priorities are resourced. Being directly aligned with the provincial pillars relating to the Transformation of state

and governance and the Modernization of the public service, the Provincial Treasury reviewed its plans and reprioritized the allocation of funds to ensure it is positioned to carry out its mandate.

The main appropriation increases by R15.5 million from R412.8 million to R428.3 million during the adjustment budget process. The department receives additional funding amounting to R25 million for the establishment of the Gauteng Infrastructure Funding Agency and for setting up the operations of the project preparation facility. The unspent R9.5 million relating to vacant posts in Programme 2: Sustainable Resource Management is surrendered to the Provincial Revenue.

Other changes in the main appropriation relate to fund shifts from compensation of employees to transfers and subsidies to fund unforeseen expenses for injury on duty payments and for leave gratuity and severance package paid to former employees. Funds were also shifted from goods and services to payments for capital assets to fund the purchase of a survey system. An amount of R2.9 million is shifted from Programme 3: Financial Governance to Programme 1: Administration to fund operational requirements (that is, property payments and utilities).

The planned service delivery will still be achieved in spite of the adjustments to the main budget given that funds are reallocated mainly from non-core items to cater for operational expenditure in order to support to the core-functions.

4. Details of Adjustments to Estimates of Departmental Expenditure 2014/15

Programme 1: Administration

TABLE 14.2 : PROGRAMME 1 : ADMINISTRATION

Sub-programme R thousands	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/ unavoidable	Additional Funding: National	Additional Funding: Provincial		
1. Office of the MEC	7 386				441				441	7 827
2. Office of the HOD	14 391				1 564				1 564	15 955
3. Corporate Services	52 968				2 789				2 789	55 757
4. Financial Management	21 107				(1 894)				(1 894)	19 213
Total for programme	95 852				2 900				2 900	98 752

Economic classification R thousand	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/ unavoidable	Additional Funding: National	Additional Funding: Provincial		
Current payments	94 941				660				660	95 601
Compensation of employees	66 568				(1 149)				(1 149)	65 419
Goods and services	28 373				1 809				1 809	30 182
Interest and rent on land										
Transfers and subsidies					1 281				1 281	1 281
Provinces and municipalities										
Departmental agencies and accounts										
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households					1 281				1 281	1 281

Economic classification	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
Payments for capital assets	911				959				959	1 870
Buildings and other fixed structures										
Machinery and equipment	911				684				684	1 595
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets					275				275	275
Payments for financial assets										
Total economic classification	95 852				2 900				2 900	98 752

TABLE 14.3 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION : PROGRAMME1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(17 824)		18 484
Compensation of employees	Alignment of human resources with the departmental operational requirements	(12 278)	Funding of posts as per approved departmental structure	11 129
Goods and services	Lower expenditure in travel and subsistence, catering, venues and facilities, minor assets, communication and stationery.	(5 546)	To fund operational requirements such as advertising, contractors, fleet services, operating leases, training and development and property payments.	7 355
Interest and rent on land				
Transfers and subsidies				1 281
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households			Payment of leave gratuity payments and severance package to former employees.	1 281
Payments for capital assets				959
Buildings and other fixed structures				
Machinery and equipment			Purchase of desktop computers and laptops for employees	684
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets			Payment of software license fees for a survey system purchased and onsite hosting	275
Payments for financial assets				
Total economic classification		(17 824)		20 724

Virements and shifts

The department realigns an amount of R17.8 million within the programme in order to meet its business requirements. Funds are reallocated from current payments to transfers and subsidies. The department continues to apply cost containment measures to reduce expenditure on items such as communication, travel and subsistence, advertising, venues and facilities. The resultant unspent funds are reallocated to priority areas in training development, fleet services and property payments. An amount of R1.2 million is reallocated to households for the payment of leave gratuity and severance package to former employees. A balance of

R959 000 is reallocated for payment of software licence fees for the survey system and the purchase of laptops and desktops for officials.

The programme receives an amount of R2.9 million from Programme: 3 Financial Governance to augment funding for departmental utilities and property payments.

Programme 2: Sustainable Resource Management

TABLE 14.4 : PROGRAMME 2 : SUSTAINABLE RESOURCES MANAGEMENT

Sub-programmes R thousand	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/ unavoidable	Additional Funding: National	Additional Funding: Provincial		
1. SRM Programme										
Support	79 154				(120)			25 000	24 880	104 034
2. Fiscal Policy & Econ Analysis	10 176				109				109	10 285
3. Budget Management	22 983	(7 000)			11				(6 989)	15 994
4. Public Finance	25 828	(2 500)			(50)				(2 550)	23 278
5. Public Private Partnership	3 465				50				50	3 515
Total for programme	141 606	(9 500)						25 000	15 500	157 106

Economic classification R thousand	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/ unavoidable	Additional Funding: National	Additional Funding: Provincial		
Current payments	91 606	(9 500)			(160)				(9 660)	81 946
Compensation of employees	62 263	(9 500)			(160)				(9 660)	52 603
Goods and services	29 343									29 343
Interest and rent on land										
Transfers and subsidies	50 000				160			25 000	25 160	75 160
Provinces and municipalities										
Departmental agencies and accounts	50 000							25 000	25 000	75 000
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households					160				160	160
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Payments for financial assets										
Total economic classification	141 606	(9 500)						25 000	15 500	157 106

TABLE 14.5 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION : PROGRAMME 2: SUSTAINABLE RESOURCES MANAGEMENT

Economic classification	Motivation	From	Motivation	To
Current payments		(739)		579
Compensation of employees	Alignment of human resources with the departmental operational requirements	(336)	Funding of posts as per departmental approved structure	176
Goods and services	Unspent funds in travel and subsistence result from implementation of cost containment measure	(403)	To fund advertising, stationery and printing, contractors and consultants.	403
Interest and rent on land				
Transfers and subsidies				160
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households			Leave gratuity paid out to former employees.	160
Payments for capital assets				
Buildings and other fixed structures				
Machinery and equipment				
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(739)		739

Surrender: R9.5 million

The programme surrenders unspent R9.5 million from personnel budget to the Provincial Revenue Fund as a result of unfilled posts.

Virements and shifts

An amount of R160 000 is shifted from compensation of employees to pay the leave gratuity to officials who leave the public sector. An amount of R176 000 is reallocated within compensation of employees to realign personnel budget with personnel requirement within business units.

The adjusted budget will enable the Treasury to support strategic imperative to fund provincial priorities through reviewing and eliminating provincial programmes that no longer offer value for money; and through revised approaches for capital funding, improved planning and budgeting across the province and improved revenue generation and collection for more distribution of provincial resources.

Provincial additional funding: R25 million

To increase the support to the departmental strategic pillar relating to sustainable funding in the province, the Treasury is allocated an additional R25 million for the Gauteng Infrastructure Funding Agency (GIFA). The agency is the Treasury's intervention towards the strategic imperatives of the department to revised approaches for capital funding in the new term. This amount will support the GIFA on its mandate and accelerate progress in achieving a sustainable pipeline of strategic infrastructure projects that are catalysts for socio economic development through the implementation of a project preparation facility.

Programme 3: Financial Governance

TABLE 14.6 : PROGRAMME 3: FINANCIAL GOVERNANCE

Sub-programme	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
1. FG Programme 2.										
Support	43 349				3 300				3 300	46 649
3. Risk Management	13 847				(500)				(500)	13 347
4. Norms And Standards	19 243				(2 293)				(2 293)	16 950

Sub-programme	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
5. Local Government										
6. Financial Services	32 412				(3 782)				(3 782)	28 630
7. Financial Business System	8 323				375				375	8 698
Total for programme	117 174				(2 900)				(2 900)	114 274

Economic classification	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
Current payments	117 174				(3 027)				(3 027)	114 147
Compensation of employees	61 802				(127)				(127)	61 675
Goods and services	55 372				(2 900)				(2 900)	52 472
Interest and rent on land										
Transfers and subsidies					127				127	127
Provinces and municipalities										
Departmental agencies and accounts										
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households					127				127	127
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Payments for financial assets										
Total economic classification	117 174				(2 900)				(2 900)	114 274

TABLE 14.7 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: FINANCIAL GOVERNANCE

Economic classification	Motivation	From	Motivation	To
Current payments		(9 192)		6 165
Compensation of employees	Alignment of human resources with the departmental operational requirements	(2 055)	Funding of posts as per departmental approve structure	1 928
Goods and services	Reprioritisation of funds relating to the municipal support programme to other critical areas	(7 137)	To fund consultants, advertising and travel subsistence.	4 237
Interest and rent on land				
Transfers and subsidies				127
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				

Economic classification	Motivation	From	Motivation	To
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households			Payment of leave gratuity payments to former employees.	127
Payments for capital assets				
Buildings and other fixed structures				
Machinery and equipment				
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(9 192)		6 292

Virements and shifts

An amount of R127 000 is shifted from the compensation of employees to fund the leave gratuity payments to the officials that resigned from the department. Whilst the municipal advisory support programme will continue as planned, efficiencies in the programme delivery enabled the shifting of R2.9 million from the allocation to augment funds for expenditure relating to the operations of the department.

The reprioritized allocations in Financial Governance will facilitate the delivery of the Treasury's key projects that support the provincial programme of transformation, modernization and re-industrialization through promoting better planning and budgeting synergy across all spheres of government in the province. These projects include the health intervention programme, municipal support programme and the provincial supply chain management capacity building programme.

Programme 4: Provincial Accounting Services

TABLE 14.8: PROGRAMME 4: PROVINCIAL ACCOUNTING SERVICES

Sub-programme	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
1. PAS Programme										
Support	4 046				(5)				(5)	4 041
2. Financial Assets & Liabilities	20 820				(170)				(170)	20 650
3. Accounting Services	21 352				5				5	21 357
4. Statutory Deduction Management	11 924				170				170	12 094
Total for programme	58 142									58 142

Economic classification	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R' thousand										
Current payments	58 142				(170)				(170)	57 972
Compensation of employees	54 244				(170)				(170)	54 074
Goods and services	3 898									3 898
Interest and rent on land										
Transfers and subsidies					170				170	170

Economic classification	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R' thousand										
Provinces and municipalities										
Departmental agencies and accounts										
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households					170				170	170
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Payments for financial assets										
Total economic classification	58 142									58 142

TABLE 14.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: PROVINCIAL ACCOUNTING SERVICES

Economic classification	Motivation	From	Motivation	To
Current payments		(2 034)		1 864
Compensation of employees	Alignment of human resources with the departmental operational requirements	(1 696)	Funding of posts as per departmental approve structure	1 526
Goods and services	Unspent funds in consultants caused by application of cost containment measures.	(338)	To fund operating payments, computer services and travel subsistence	338
Interest and rent on land				
Transfers and subsidies				170
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households			Payment of leave gratuity to former employees and injury on duty	170
Payments for capital assets				
Buildings and other fixed structures				
Machinery and equipment				
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(2 034)		2 034

Virements and shifts

The amount of R170 000 shifts from the compensation of employees to fund the leave gratuity payments for the officials that resigned from the department and to fund injury on duty claims.

The department continues to implement cost saving measures and to improve allocative efficiency in the department. The process lowered expenditure in consultants and resulted in R338 00 shifting within goods and services to alleviate spending pressure in operational requirements.

It is through the adjusted budget that the department will continue to implement the initiatives and projects that promote efficient cash management and effective financial management in the province. These initiatives (which include planning and development of the Cash Forecasting model, online payroll certification system and initiatives to ensure unqualified audits) contribute to the provincial pillar of modernizing the public service.

5. Expenditure for 2013/14 and preliminary expenditure 2014/15

TABLE 14.10: EXPENDITURE 2013/14 AND PRELIMINARY EXPENDITURE 2014/15

Department	2013/14				2014/15		
	Expenditure Outcome				Preliminary expenditure		
	Adjusted appropriation	April 2013 – September 2013	April 2013 – March 2014	April 2013 – March 2014 as a % of adjusted appropriation	Adjusted appropriation	April 2014-September 2014	% change 13/14-14/15 Apr-Sep
R thousand							
1. Administration	75 522	41 437	79 878	106%	98 752	46 251	12%
2. Sustainable Resource Management	100 309	69 818	92 596	92%	132 106	72 265	4%
3. Financial Governance	91 862	32 110	84 216	92%	114 274	44 147	37%
4. Provincial Accounting Services	54 730	22 596	50 205	92%	58 142	26 528	17%
Total for programmes	322 423	165 961	306 895	95%	403 274	189 191	14%
Current payments	268 690	114 022	253 351	94%	349 746	137 009	28%
Compensation of employees	188 241	84 466	172 202	91%	233 771	107 310	27%
Goods and Services	80 449	29 556	81 149	101%	115 975	29 699	
Interest and rent on land							
Transfers and subsidies	50 124	50 050	50 207	100%	51 658	51 508	3%
Provinces and municipalities							
Departmental agencies and accounts	50 000	50 000	50 000	100%	50 000	50 000	
Higher education institutions							
Foreign governments & international organisations							
Public corporations & private enterprises		2					(100%)
Non-profit institutions							
Households	124	48	207	167%	1 658	1 508	3 042%
Payments for capital assets	3 609	1 889	3 337	92%	1 870	674	(64%)
Buildings and other fixed structures							
Machinery and equipment	3 467	1 746	3 238	93%	1 595	399	(77%)
Heritage assets							
Specialised military assets							
Biological assets							
Land and sub-soil assets							

Department	2013/14				2014/15		
	Expenditure Outcome				Preliminary expenditure		
	Adjusted appropriation	April 2013 – September 2013	April 2013 – March 2014	April 2013 – March 2014 as a % of adjusted appropriation	Adjusted appropriation	April 2014-September 2014	% change 13/14-14/15 Apr-Sep
R thousand							
Software and other intangible assets	142	143	99	70%	275	275	92%
Payments for financial assets							
Total economic classification	322 423	165 961	306 895	95%	403 274	189 191	14%

Expenditure trends for 2013/14

The adjusted budget amounted to R322.4 million in 2013/14. This adjusted budget funded personnel requirements at R188.2 million; goods and services at R80.4 million to cater for the health intervention programme, printing of treasury publications, support programmes relating to municipalities and infrastructure, refurbishment of new premises of Treasury in 75 Fox Street building and operational requirements; transfers totalling R50 million to fund the Gauteng Funding Agency; and payments for capital transfers totalling R3.6m for the office equipment, office refurbishment and licence fees for the asset management system.

The department spent R306.9 million or 95 percent of the total budget in 2013/14. The entire allocations for goods and service and for transfers were fully utilized. The Treasury spent R3.2 million (or 93 per cent of the budget) to purchase the office equipment. The vacancy rate of 15 percent (i.e. 426 filled posts vs. 502 posts in the establishment) is the main cause of R15.2 million underspending as at financial year-end. Personnel spending amounted to R172.2 million or 91 percent of the allocation in 2013/14.

Expenditure trends for the first half of 2014/15

Programme 1: Administration

Compared to the same period in the prior financial year, the overall expenditure for the first six months of the financial year is higher by 12 per cent (i.e. from R41.4 million in 2013/14 to R 46.2 million in 2014/15. The main contributing factor for the increase is property payments. This is the reason for the department to reprioritize funds towards property payments during the 2014/15 adjustment process.

Programme 2: Sustainable Resource Management

The programme incurred an expenditure of R 69.8 million at the end of September 2013 compared to R72.2 million at the end of September 2014. The programme funded GIFA and directed more funds to the provision of editing services for its publications (EPRE, PERO, SERO, and MTBPS) to ensure that publications are of high quality and remain relevant to the needs of its stakeholders.

Programme 3: Financial Governance

The aggregate expenditure for this programme increased by 37 per cent for the first six months in this financial year compared to the same period last financial year due to the payment of accruals relating to services of the appointed Administrator in the health intervention programme in the current financial year.

Programme 4: Provincial Accounting Services

The programme has incurred an expenditure of R26.5 million as at the end of September 2014 compared to the R22.5 million in the same period in the 2013/14 financial year. The increase of 17 per cent results from the cost of living adjustments implemented in the second quarter of the financial year and the payment of audit costs incurred in the first six months of the financial year.

6. Departmental receipts

TABLE 14.11: DEPARTMENTAL RECEIPTS

Department	2013/14 Audited Outcome				2014/15 Actual Receipts		
	Adjusted appropriation	April 2013 - Sep 2013	April 2013 - Mar 2014	April 2013 - March 2014 as a % of adjusted appropriation	Main Appropriation	Apr 2014-Sep 2014	% change 13/14-14/15 Apr-Sep
R thousand							
Tax receipts							
Casino taxes							
Horse racing taxes							
Liquor licences							
Motor vehicle licences							
Sales of goods and services other than capital assets		102	235	0	211	184	80%
Of which Health patient fees							
Transfers received							
Fines, penalties and forfeits							
Interest, dividends and rent on land	180 000	96 660	247 283	137	80 000	196 885	104%
Sales of capital assets							
Financial transactions in assets and liabilities		339	375			96	(72%)
Total receipts	180 000	97 101	247 893	137	80 211	197 165	112%

Revenue trends for the first half of the 2014/15 financial year

During the 2014/15 financial year, the department had a budget of R80.2 million. In the first six months of the current financial year, the department collected a total amount of R197 million.

The increasing balances of ring-fenced unspent infrastructure grants since the beginning of the financial year contributed to an increase in interest revenue earned by GPT on CPD account at the SA Reserve Bank. Interest revenue earned on the high cash balances exceeded the budget.

7. Changes to transfers and subsidies, conditional grants and infrastructure

7.1 Changes to transfers and subsidies

TABLE 14.12 CHANGES TO TRANSFERS AND SUBSIDIES

Programme	Main Appropriation	2014/15 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
Programme 2	50 000							25 000	25 000	75 000
Departmental agencies and accounts	50 000							25 000	25 000	75 000
Total transfers and subsidies	50 000							25 000	25 000	75 000

Transfers and subsidies increase from R50 million to R75 million in 2014/15 due to the allocation of R25 million to fund the costs of re-establishing the Gauteng Infrastructure Funding Agency and to provide for the project preparation facility in the agency. The agency will ensure a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province.

7.2. Changes to conditional grants

Not applicable.

7.3. Changes to infrastructure

Not applicable.