

VOTE 10

DEPARTMENT OF TOURISM

DEPARTMENT OF TOURISM

Adjusted budget summary

R thousand	2014/15			
	Main Appropriation	Adjusted Appropriation	Decrease	Increase
Amount to be appropriated	78 919	114 919		36 000
Of which				
Current payments	78 919	81 808		2 889
Transfers and subsidies		32 656		32 656
Payments for capital assets		455		455
Direct Charge against the Provincial Revenue Fund				
Executive authority	MEC for Tourism			
Accounting officer	Deputy Director General of the Department of Tourism			

Aim of the Department

To contribute and grow South African tourism industry through integrated tourism development and diversified tourist experience by promoting private sector participation and preserving our heritage in the North West Province.

Programmes

Programme 1: Administration

Programme 2: Tourism Planning

SUMMARY OF RECEIPTS

ITEM	R' 000
ROLLOVERS	
NONE	NIL
OTHER ADDITIONAL FUNDING	36 000
Development of Tourism Strategies	2 500
Provincial road shows & Tourism Lekgotla	1 500
Domestic Tourism Campaigns	1 000
Tourism Growth and Promotion initiatives	10 000
Establish a convention Bureau	4 000
Enter into Joint Marketing Agreements	5 000
Infrastructure upgrade for the Taung Hotel School	12 000
TOTAL	36 000

Changes to programme purpose, objectives and measures

None

Mid-year performance status

indicators	Programme	Outcome to which it contributes	Annual performance		
As published in the 2014 ENE	Programme linked to the indicators	Outcome the indicators is linked to	Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Provincial Tourism Sector Strategy developed.	Tourism Planning	Outcome 4 : Decent employment through inclusive economic growth.	1	0	n/a
Number of collaborative and strategic partnership established & sustained.	Tourism Planning	Outcome 4 : Decent employment through inclusive economic growth.	3	0	n/a
Number of tourism research projects initiated.	Tourism Planning	Outcome 4 : Decent employment through inclusive economic growth.	2	0	n/a
A Provincial Heritage and Culture Tourism Strategy developed.	Tourism Planning	Outcome 4 : Decent employment through inclusive economic growth.	1	0	n/a
Number of provincial Events Strategies developed.	Tourism Planning	Outcome 4 : Decent employment through inclusive economic growth.	1	0	n/a
Number of tourism capacity building workshops held.	Tourism Planning	Outcome 4 : Decent employment through inclusive economic growth.	4	0	n/a
Number of Strategic partnerships created.	Tourism Planning	Outcome 4 : Decent employment through inclusive economic growth.	2	0	n/a

The Annual Performance Plan of the Department as approved for the 2014/15 financial year sets achievement of the targets at the third quarter. Activities that have been undertaken to date were aimed at establishing structures that would assist in the achievement of performance targets.

Adjusted Estimates of National Expenditure 2014

Departmental summary of 2014 Adjustment Estimates of Provincial Expenditure according to programmes

Programme	Main Appropriation	2014/15							Adjusted Appropriation
		Adjustments appropriation							
		Rollovers	Unforeseeable / unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
Administration	70 585			-150				-150	70 435
Tourism Planning	8 334			150			36 000	36 150	44 484
Total	78 919						36 000	36 000	114 919
Economic Classification									
Current payments	78 919			-611			3 500	2 889	81 808
Compensation of employees	33 219			11 793				11 793	45 012
Goods and services	45 700			-12 404			3 500	-8 904	36 796
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies				156			32 500	32 656	32 656
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises							32 500	32 500	32 500
Foreign governments and international organisations									
Non-profit institutions									
Households				156				156	156
Payments for capital assets				455				455	455
Buildings and Other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment				455				455	455
Transport assets									
Other Machinery and equipment				455				455	455
Biological assets									
Software and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total	78 919						36 000	36 000	114 919

Department of Tourism

Programme summary of estimates according to subprogrammes

Programme 1 : Administration

Programme 1 : Administration		2014/15							
	Main Appropriation	Adjustments appropriation						Adjusted Appropriation	
		Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand									
Office of the MEC	5 585			5 050				5 050	10 635
Office of the HoD	5 470			-450				-450	5 020
Financial Management	18 157			-5 200				-5 200	12 957
Corporate Services	41 373			450				450	41 823
Subtotal	70 585			-150				-150	70 435
Direct charge against the Provincial Revenue Fund									
Statutory payment									
Total	70 585			-150				-150	70 435
Economic Classification									
Current payments	70 585			-561				-561	70 024
Compensation of employees	26 596			11 793				11 793	38 389
Goods and services	43 989			-12 354				-12 354	31 635
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies				156				156	156
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households				156				156	156
Payments for capital assets				255				255	255
Buildings and Other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment				255				255	255
Transport assets									
Other Machinery and equipment				255				255	255
Biological assets									
Software and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total	70 585			-150				-150	70 435

Programme summary of estimates according to subprogrammes

Programme 2 : Tourism Planning

Programme 2 : Tourism Planning		2014/15						
		Adjustments appropriation						Adjusted Appropriation
Main Appropriation	Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Tourism Planning	8 334		150			36 000	36 150	44 484
Subtotal	8 334		150			36 000	36 150	44 484
Direct charge against the Provincial Revenue Fund								
Statutory payment								
Total	8 334		150			36 000	36 150	44 484
Economic Classification								
Current payments	8 334		-50			3 500	3 450	11 784
Compensation of employees	6 623							6 623
Goods and services	1 711		-50			3 500	3 450	5 161
Interest and rent on land								
Financial transactions in assets and liabilities								
Transfers and subsidies						32 500	32 500	32 500
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises						32 500	32 500	32 500
Foreign governments and international organisations								
Non-profit institutions								
Households								
Payments for capital assets			200				200	200
Buildings and Other fixed structures								
Buildings								
Other fixed structures								
Machinery and equipment			200				200	200
Transport assets								
Other Machinery and equipment			200				200	200
Biological assets								
Software and Other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Total	8 334		150			36 000	36 150	44 484

Roll-overs

None

Unforeseeable and unavoidable expenditure

None

Virements and Shifts

Virements and shifts Table

From			To		
Programme by Economic Classification	Motivation	R thousand	Programme by Economic Classification	Motivation	R thousand
Programme 1: Administration		(12 248)	Programme 2 : Tourism Planning		150
Goods & services	Reprioritation of funds to Tourism Planning for research programme	(150)	Goods & services	Reprioritation of funds to Tourism Planning for research programme	150
			Programme 1: Administration		12 098
Goods & services	Reprioritation for Compesation of employees for 100% of Vacancies from	(11 793)	Compesation of employees	Reprioritation for Compesation of employees for 100% of Vacancies from Goods& serv	11793
Goods & services	Projects for MEC	(50)	Transfers and subsidies	Projects for MEC	50
Goods & services	Reprioritation for Machinery for new staff	(255)	Payments for capital assets	Reprioritation for Machinery for new staff	255
Shift within the programme as a percentage of the programme budget		17.1%			
Virements of othe programme as a percentage of the programme budget		-0.21%			
Programme 2 : Tourism Planning		(200)	Programme 2 : Tourism Planning		200
Goods & services	Reprioritation for Machinery for new staff	(200)	Payments for capital assets	Reprioritation for Machinery for new staff	200
Shift within the programme as a percentage of the programme budget		-2%			
Virements of othe programme as a percentage of the		0%			

Funds shifted between votes following a transfer of function

None

Expenditure already announced in the main Budget Speech of the MEC for Finance but not allocated at this stage

None

Funds shifted within a vote following a function shift

None

Declared unspent funds

None

Other adjustments

None

Appropriation of expenditure earmarked in the 2014 Budget speech for future allocation

None

Adjustments due to significant and unforeseeable economic and financial events

None

Use of funds in emergency situations in terms of section 25 of the PFMA

None

Self-financing expenditure

None

Gifts, donations and sponsorships

None

Direct charges against the National Revenue Fund

None

Additional Allocation - R36 million

Programme 2: Tourism Planning – R36 million

Additional funding of R36 million was received for tourism planning, growth, development and transformation as per the approved budget rescue plan 2014/15. The additional allocation has been allocated as follow:

- R2.5 million for Development of Tourism Strategies;
- R1.5 million for Provincial road shows & Tourism Lekgotla;
- R1 million for Domestic Tourism Campaigns;
- R10 million for Tourism Growth and Promotion initiatives;
- R4 million for Establish a convention Bureau;
- R5 million for Enter into Joint Marketing Agreements; and
- R12 million for Infrastructure upgrade for the Taung Hotel School.

Amounts surrendered (per programme)

None

Main expenditure trends for the first half of 2014/15

Expenditure and preliminary expenditure: 2014/15

Programme	2013/14					2014/15			
	Audited outcome					Preliminary expenditure			
	Adjusted appropriation	Apr 13-Sep 13		Apr 13-Mar 14		Adjusted appropriation	Adjusted appropriation/ total (%)	Apr 14-Sep 14	
		Apr 13 Sep 13	% of Adjusted appropriation	Apr 13 Mar 14	% of Adjusted appropriation			Apr 14 Sep 14	% of Adjusted appropriation
R thousand									
Administration						70 435	61.3%	35 293	50.1%
Tourism Planning	8 478	2 931	34.6%	7 170	84.6%	44 484	38.7%	4 167	9.4%
Subtotal	8 478	2 931	34.6%	7 170	84.6%	114 919	100.0%	39 460	34.3%
Direct charge against the Provincial Revenue Fund									
Total	8 478	2 931	34.6%	7 170	84.6%	114 919	100.0%	39 460	34.3%
Economic classification									
Current payments	8 478	2 931	34.6%	7 170	84.6%	81 808	71.2%	39 460	48.2%
Compensation of employees	6 307	2 530	40.1%	5 265	83.5%	45 012	39.2%	16 610	36.9%
Goods and services	2 171	401	18.5%	1 905	87.7%	36 796	32.0%	22 850	62.1%
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies						32 656	28.4%		
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises						32 500	28.3%		
Foreign governments and international organisations									
Nonprofit institutions									
Households						156	0.1%		
Payments for capital assets						455	0.4%		
Buildings and Other fixed structures									
Machinery and equipment						455	0.4%		
Biological assets									
Software and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total	8 478	2 931	34.6%	7 170	84.6%	114 919	100.0%	39 460	34.3%

Expenditure trends

Programme 1: Administration

Transfer of expenditure attached to staff transferred from the Department of Local Government and Human Settlement and the Department of Economy and Enterprise Development is awaiting the Department of Tourism to be active on Basic Accounting System (BAS). As a result the actual expenditure is still being incurred in the various departments. The Department is therefore showing half yearly expenditure at estimated amount of 50 per cent against the main appropriation.

Programme 2: Tourism Planning

Between April and September 2014, the programme spent R4.167 million or 9 per cent against the adjusted appropriation of R44.484 million. The slow spending is mainly due to the additional funding of R36 million for tourism planning, growth, development and transformation. The transfer and subsidies shows 0 per cent spending as at 30 September 2014, this is mainly because this item did not have the main appropriation and was only allocated budget during the adjustment budget.

Departmental receipts

Departmental Receipts

2013/14						2014/15				
Audited outcome						Actual Receipts				
R thousand	Adjusted appropriation	Apr 13-Sep 13		Apr 13-Mar 14		Budget estimate	Adjusted estimate	Apr 14-Sep 14		
		Apr 13 Sep 13	% of Adjusted appropriation	Apr 13 Mar 14	% of Adjusted appropriatio			Adjusted appropriation/ total (%)	Apr 14 Sep 14	% of Adjusted appropriatio
Departmental receipts						20	21	100%	14	70%
Tax receipts										
Sales of goods and services Other than capital assets						20	21	100%	14	70%
Transfers received										
Fines, penalties and forfeits										
Interests,dividends and rend on land										
Sales and capital assets and liabilities										
Financial transactions in assets and liabilities										
Extraordinary receipts										
Total						20	21	100%	14	70%

The main source of funding for the Department is equitable share while a very insignificant funding is derived from departmental receipts. The departmental own receipt is mainly under sales of goods and services other than capital which is comprised purely of registration fees of tour guides. As at 30 September 2014, department collected R14 000 or 70 per cent against the projected collection of R21 000.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfer and subsidies per programme

2014/15									
R thousand	Main Appropriation	Adjustments appropriation						Adjusted Appropriation	
		Rollover	unforeseeable / unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
Administration				156				156	156
Households				156				156	156
Tourism Planning							32 500	32 500	32 500
Public corporations and private enterprises							32 500	32 500	32 500
Total transfers subsidies				156			32 500	32 656	32 656

Table B.5(a): Department of Tourism - Payments of infrastructure by category

Table 20(a): Department of Tourism - Payments of Infrastructure by Category												
No.	Project Name	Municipality Name	Type of Infrastructure		Project Duration		Source of funding	Budget Programme Name	Targeted number of jobs for 2013/14	Total project cost	Expenditure to date from previous years	Adjusted Appropriation
			School - primary, secondary, specialised, admin block, water, sanitation, fencing, etc.	Units (i.e. Number of classrooms or facilities or square meters)	Date: Start	Date: Finish						2014/15 R'000
1. New and replacement assets												
										-		-
Total New and replacement assets												
2. Upgrades and additions												
1	Concept design	Greater Taung Municipality	Design		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		150 000	-	150 000
2	Directional signage	Greater Taung Municipality	Signage		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		550 000	-	550 000
3	Security upgrade	Greater Taung Municipality	Security		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		1 280 000	-	1 280 000
4	Establish ICT network	Greater Taung Municipality	ICT network		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		200 000	-	200 000
5	Convert cinema to library	Greater Taung Municipality	Libraby		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		500 000	-	500 000
6	Convert casino to conference room	Greater Taung Municipality	Conference room		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		400 000	-	400 000
7	Convert adjoined room to lecture rooms	Greater Taung Municipality	Lecture rooms		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		500 000	-	500 000
10	Sewage	Greater Taung Municipality	Sewage		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		1 000 000	-	1 000 000
Total Upgrades and additions										4 580 000	-	4 580 000
3. Rehabilitation, renovations and refurbishment												
1	Hotel Facilities	Greater Taung Municipality	Facilities		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		4 000 000	-	4 000 000
2	Staff recreation center	Greater Taung Municipality	Recreation center		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		70 000	-	70 000
3	Staff village complex	Greater Taung Municipality	Staff complex		01/12/2014	01/11/2015	Equitable share (Earmarked)	Tourism Planning		3 350 000	-	3 350 000
Total Rehabilitation, renovations and refurbishment										7 420 000		7 420 000
4. Maintenance and repairs												
Total Maintenance and repair												
5. Infrastructure transfers - current												
Total Infrastructure transfers - current												
6. Infrastructure transfers - capital												
Total Infrastructure transfers - capital												
Total Department Infrastructure										12 000 000	-	12 000 000