

Vote 13**Department of Human Settlements****Adjusted budget summary**

	2016/17				
R thousand	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
Total amount to be appropriated	1 335 504		1 304 239	(44 049)	12 784
<i>of which economic classification:</i>					
Current payments	207 357		206 857	(500)	
Transfers and subsidies	1 124 982		1 094 766	(43 000)	12 784
Payments for capital assets	3 165		2 616	(549)	
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	187 093		186 044	(1 049)	
Conditional Grants	1 098 411		1 101 195		2 784
Earmarked funds	50 000		17 000	(43 000)	10 000
Provincial Receipts					
Direct charge against the Provincial Revenue Fund	1 335 504		1 304 239	(44 049)	12 784
Amount not to be appropriated - Aid Assistance					

Executive Authority

MEC for Human Settlements

Accounting Officer

Head of the Department Human Settlements

Website address

www.humansettlements.fs.gov.za**Aim**

Developmental Intergraded Human Settlements in the Free State.

Changes to programme purposes, objectives and measures

There were no changes to programme purposes and measurable objectives

Vote 13 – Human Settlements

2016 Adjusted Estimates of Provincial Revenue & Expenditure

Adjusted Estimates of Provincial Revenue & Expenditure 2016

Table 13.1(a): Adjusted Estimates per programme

Programme	2016/17								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Roll-overs		
R'thousand									
1. Administration	98 423				(4 088)			(4 088)	94 335
2. Housing Needs, Research & Planning	23 514				1 600	(1 049)		551	24 065
3. Housing Development	1 212 157		2 784	2 600	(43 000)	10 000		(27 616)	1 184 541
4. Housing Assets Management Property Management	1 410				(112)			(112)	1 298
Subtotal	1 335 504		2 784		(44 049)	10 000		(31 265)	1 304 239
Direct charge against the Provincial Revenue Fund									
Item									
Total	1 335 504		2 784		(44 049)	10 000		(31 265)	1 304 239

Economic Classification

Table 13.1(b): Adjusted Estimates by economic classification

Economic classification	Adjustments Appropriation								
	Main appropriation	Special appropriation	Unforeseeable/ Roll-overs	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	Adjusted appropriation	
									unavoidable
R'thousand									
Current payments	207 357				(9 016)	(500)		(9 516)	197 841
Compensation of employees	162 610				(6 000)			(6 000)	156 610
Goods and Services	44 747				(3 016)	(500)		(3 516)	41 231
Interest and rent on land									
Transfers and subsidies to	1 124 982		2 784	8 700	(43 000)	10 000		(21 516)	1 103 466
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons	1 081			100				100	1 181
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1 123 901		2 784	8 600	(43 000)	10 000		(21 616)	1 102 285
Payments for capital assets	3 165			316	(549)			(233)	2 932
Buildings and other fixed structures									
Machinery and equipment	3 165			316	(549)			(233)	2 932
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets									
Total	1 335 504		2 784		(44 049)	10 000		(31 265)	1 304 239

Vote 13 – Human Settlements

2016 Adjusted Estimates of Provincial Revenue & Expenditure

Programme 1: Administration

Table 13.1.1: Adjusted Estimates

2016/17									
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Roll-overs		
R'thousand									
1. Office of the HOD	13 202				1 208			1 208	14 410
2. Corporate Services	85 221				(5 296)			(5 296)	79 925
Total	98 423				(4 088)			(4 088)	94 335
Economic classification									
Current payments	97 608				(4 763)			(4 763)	92 845
Compensation of employees	70 472				(4 500)			(4 500)	65 972
Goods and Services	27 136				(263)			(263)	26 873
Interest and rent on land									
Transfers and subsidies to									
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	815				675			675	1 490
Buildings and other fixed structures									
Machinery and equipment	815				675			675	1 490
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets									
Total	98 423				(4 088)			(4 088)	94 335

Vote 13 – Human Settlements

2016 Adjusted Estimates of Provincial Revenue & Expenditure

Programme 2: Housing Needs, Research and Planning

Table 13.1.2: Adjusted Estimates

		2016/17							
Subprogramme		Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation	
		Main appropriation	Special appropriation	Unforeseeable /unavoidable Roll-overs	Virements and shifts	Declared unspent funds			Other adjustments
R'thousand									
1. Administration		3 301				85		85	3 386
2. Policy		2 465				220		220	2 685
3. Planning		16 687				1515	(1 049)	466	17 153
4. Research		1 061				(220)		(220)	841
Total		23 514				1 600	(1 049)	551	24 065
Economic classification									
Current payments		19 390				1 559	(500)	1 059	20 449
Compensation of employees		15 129				1600		1 600	16 729
Goods and Services		4 261				(41)	(500)	(541)	3 720
Interest and rent on land									
Transfers and subsidies to		2 951							2 951
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons		1 081				100		100	1 181
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		1 870				(100)		(100)	1 770
Payments for capital assets		1 173				41	(549)	(508)	665
Buildings and other fixed structures									
Machinery and equipment		1 173				41	(549)	(508)	665
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets									
Total		23 514				1 600	(1 049)	551	24 065

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2016 Adjusted Estimates of Provincial Revenue & Expenditure

Programme 3: Housing Development

Table 13.1.3: Adjusted Estimates

		2016/17						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
R'thousand								
1. Administration	61 746				2600		2 600	64 346
2. District Services								
3. Financial Interventions	143 749				(7 250)		(7 250)	136 499
4. Incremental Interventions	620 358		2 784		28 721	(43 000)	10 000	618 863
5. Social And Rental Intervention	166 808				5 354		5 354	172 162
6. Rural Intervention								
7. Provincial Specific Programmes	219 496				(26 825)		(26 825)	192 671
Total	1 212 157		2 784		2 600	(43 000)	10 000	1 184 541
Economic classification								
Current payments	88 949				(5 700)		(5 700)	83 249
Compensation of employees	76 000				(3 100)		(3 100)	72 900
Goods and Services	12 949				(2 600)		(2 600)	10 349
Interest and rent on land								
Transfers and subsidies to	1 122 031		2 784		8 700	(43 000)	10 000	1 100 515
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	1 122 031		2 784		8 700	(43 000)	10 000	1 100 515
Payments for capital assets	1 177				(400)		(400)	777
Buildings and other fixed structures								
Machinery and equipment	1 177				(400)		(400)	777
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Payments for financial assets								
Total	1 212 157		2 784		2 600	(43 000)	10 000	1 184 541

Vote 13 – Human Settlements

2016 Adjusted Estimates of Provincial Revenue & Expenditure

Programme 4: Housing Assets Management Property Management

Table 13.1.4: Adjusted Estimates

		2016/17						
Subprogramme		Adjustment appropriation						
R'thousand	Main appropriation	Special appropriation	Unforeseeable /unavoidable Roll-overs	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Administration	1 410			(112)			(112)	1 298
Total	1 410			(112)			(112)	1 298
Economic classification								
Current payments	1 410			(112)			(112)	1 298
Compensation of employees	1 009							1 009
Goods and Services	401			(112)			(112)	289
Interest and rent on land								
Transfers and subsidies to								
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
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	1 410			(112)			(112)	1 298

Special appropriation – R0.000 million

No Special Appropriation was made to the department of Human Settlements

Details of adjustments to Estimates of Provincial Revenue & Expenditure 2016

Roll-overs: R2.784 Million

Programme 3: Housing Development

The initial rollover request of the department was R12.7 million due to the fact that the department needed to construct a further 145 units in this current financial year. However, the amount of R2.784 million was approved as a roll-over for the Military Veterans funding.

Vote 13 – Human Settlements

2016 Adjusted Estimates of Provincial Revenue & Expenditure

Unforeseeable and unavoidable expenditure: R0.000 million

No allocation was made to the Department of Human Settlements in relation to unforeseeable and unavoidable expenditure.

Virements and Shifts

Table 13.2: Details on virements and shifts

Programmes		2016/17			
1. Administration		(4 088)			
2. Housing Needs, Research & Planning		1 600			
3. Housing Development		2 600			
4. Housing Assets Management Property Man		(112)			
FROM:		TO:			
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1		(4 500)	Programme 2		1 600
Compensation of employees	Vacant Post were not filled	(4 500)	Compensation of employees	Critical post were filled	1 600
			Programme 3		2 900
			Compensation of employees	Compensation for Cuban Nationals	2 900
Percentage of programme budget		4.57%			
Programme 1		(675)	Programme 1		675
Good and services	Funds needed for Machinery and equipment within programme one.	(675)	Machinery and equipment	For shortfall	675
Percentage of programme budget		0.69%			
Programme 2		(41)	Programme 2		41
Good and services	Funds needed for Machinery and equipment within programme one.	(41)	Machinery and equipment		41
Percentage of programme budget		0.17%			
Programme 3		(6 000)	Programme 3		8 600
Compensation of employees	Savings needed to pay consultants assisting with the implementation of the Human Settlement Development Grant	(6 000)	Transfers and subsidies	Funds needed to pay consultants assisting with the implementation of the Human Settlement Development Grant	8 600
Percentage of programme budget		0.49%			
Programme 3		(2 600)			
Good and services	Savings needed to pay consultants assisting with the implementation of the Human Settlement Development Grant	(2 600)			
Percentage of programme budget		0.21%			
Programme 3		(400)	Programme 1		300
Payment of capital assets	R 100 000.00 savings needed to pay consultants assisting with the implementation of the Human Settlement Development Grant. Saving of R 300 000.00 needed utilized for shortfall on goods and services Programme 1 Goods and Services	(400)	Good and services	Saving of R 300 000.00 from payment of capital assets is needed utilized for shortfall on goods and services in programme design and allocation management.	300
			Programme 3		100
			Transfers and subsidies	Funds needed to pay consultants assisting with the implementation of the Human Settlement Development Grant	100
Percentage of programme budget		0.03%			
Programme 4		(112)	Programme 1		112
Good and services	Savings need in programme 1	(112)	Good and services	Programme 1 under pressure and 8% was moved to relieve the pressure.	112
Percentage of programme budget		0.17%			
Total		(14 328)	Total		14 328

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2016 Adjusted Estimates of Provincial Revenue & Expenditure

Declared unspent funds: R44.049 Million

The amount of R43.000 million was allocated to department as earmarked funding for the demolition of two roomed houses', however the funds were surrendered to Treasury. Furthermore, the department's budget was reduced with an amount of R1.049 million to cater for provincial events in the Department of the Premier.

Other adjustments include:

The amount of R2.784 million was received as a roll over for the Military Veterans. These funds were allocated in Programme 3: Housing development. The department also received additional funding amounting to R10.000 million towards the demolition and construction of two roomed houses.

Details of other adjustments are as follows;

Other adjustments: R0.000 million

Funds shifted between votes following a transfer of a function

No functions have been transferred to or from the Department of Human Settlements

Funds shifted within a vote following a function shift

No functions were transferred within the Department of Human Settlements.

Appropriation of expenditure earmarked in the 2016 Budget speech for future allocation

No additional allocation were made to earmarked funding in the Department of Human Settlements.

Adjustment due to significant and unforeseeable economic and financial events

No funds were allocated to the Department of Human Settlements due to significant unforeseeable economic and financial events.

Use of funds in emergency situations

No funds were allocated for emergency situations

Self-financing expenditure

Not applicable to the Department of Human Settlements

Gifts, donations and sponsorship: R0.000 million

No donations or gifts will be made by the Department of Human Settlements.

Direct charges against the Provincial Revenue Fund: R0.000 million.

No direct charges will be made against the budget of the Department of Human Settlements.

Vote 13 – Human Settlements

2016 Adjusted Estimates of Provincial Revenue & Expenditure

Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Table 13.3: Expenditure trends

R thousand	2015/16					2016/17			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2015 - Sep 2015	(% of adjusted appropriation)	Apr 2015 - Mar 2016	(% of adjusted appropriation)	Adjusted appropriation	Adjusted appropriation / Total (%)	Apr 2016 - Sep 2016	(% of adjusted appropriation)
Programmes									
1. Administration	93 964	45 319	48.2%	80 317	85.5%	94 335	7.2%	49 906	52.9%
2. Housing Needs, Research & Planning	18 232	8 900	48.8%	17 144	94.0%	24 065	1.8%	9 375	39.0%
3. Housing Development	1 128 250	656 833	58.2%	1 122 766	99.5%	1 184 541	90.8%	826 990	69.8%
4. Housing Assets Management Property Man	865	375	43.4%	805	93.1%	1 298	0.1%	322	24.8%
Subtotal	1 241 311	711 427	57.3%	1 221 032	98.4%	1 304 239	100.0%	886 593	68.0%
Direct charge against the Provincial Revenue Fund									
Total	1 241 311	711 427	57.3%	1 221 032	98.4%	1 304 239	100%	886 593	67.98%
Economic Classification									
Current payments	187 647	94 873	50.6%	189 937	101.2%	197 841	15.2%	100 595	50.85%
Compensation of employees	149 594	65 136	43.5%	135 074	90.3%	156 610	12.0%	71 809	45.85%
Goods and services	38 053	29 736	78.1%	54 849	144.1%	41 231	3.2%	28 785	69.81%
Interest and rent on land		1		14				1	
Transfers and subsidies	1 050 498	615 541	58.6%	1 029 111	98.0%	1 103 466	84.6%	784 400	71.09%
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons	273	275	100.7%	275	100.7%	1 181	0.1%		
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1 050 225	615 266	58.6%	1 028 836	98.0%	1 102 285	84.5%	784 400	71.16%
Payments for capital assets	3 166	1 013	32.0%	1 869	59.0%	2 932	0.2%	1 598	54.50%
Buildings and other fixed structures									
Machinery and equipment	3 166	1 013	32.0%	1 869	59.0%	2 932	0.2%	1 598	54.50%
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets				115					
Total	1 241 311	711 427	57.3%	1 221 032	98.4%	1 304 239	100.0%	886 593	67.98%

Expenditure trends for the first half of the 2016/17

Programme 1: Administration

The programme recorded actual expenditure of R49. 906 or 52.9 percent, this was due to the payment of 2014/15 notches of the senior managers which were not budgeted for. The programme also experienced severe pressure in goods and services.

Programme 2: Housing Needs, Research & Planning

The programme spent R9.375 million or 39.0 percent. This is as a result of non-expenditure in transfers to educational institutions as well as non-expenditure in the sub-programme of Research.

Programme 3: Housing Development

The programme spent the amount of R826.990 million or 69.8 percent at the end of the second quarter as a result of high expenditure of the Cuban officials who were appointed in May 2015. The department did not have sufficient funding for the Cuban officials, and municipalities also indicated that they do not have sufficient funding for the appointment of Cuban officials.

Programme 4: Housing Asset Management & Property Management

The programme spent only R0.322 million or 24.8 percent, and this can be attributed to posts which are not yet filled. Part of the saving amounting to R0.112 million will be utilized as a veriment to programme 1: Administration as there is a severe pressure in goods and service.

Compensation of employees

The department spent the amount of R71.809 million 45.8 percent on compensation of employees and this is due to posts which were not yet filled at the end of the second quarter. However, the department has appointed officials in different programmes, and other posts will be advertised end of October 2016.

Goods and services

There is pressure in goods and services as the department has spent 69.8 percent at the end of the second quarter while allocation for this item: This was also by high expenditure of the Cuban officials as well as challenges in resources as the department had to pay the accruals at the beginning of the financial year.

Transfer and subsidies

The recorded spending of R784.000 or 71.16 percent, is due to more spending in the grant as well as the expenditure of the earmarked funding of R50 million. The expenditure of earmarked funding was R7.675 million at the end of the second quarter. The expenditure of operational capital budget is also included in this item; R21.634 million or 22 percent was spent on compensation of employees whilst goods and services spent R1.681 million or 84 percent.

Payments of Capital Assets

The recorded spending of 54.5 percent was as a result of procurement of computers for the Cuban officials and other officials. The department also had to pay the expenditure of the leasing of other six photocopy machines.

Departmental receipts

Table 13.4: Departmental receipts

R thousand	2015/16 Audited outcome					2016/17 Actual receipts								
	Adjusted estimate	Apr 2015 - Sep 2015		Apr 2015 - Mar 2016		Budget estimate	Adjusted estimate	Adjusted receipts estimate /Total (%)	Apr 2015 - Sep 2015					
		of adjusted appropriation)	(%)	of adjusted estimate)	(%)				Apr 2016 - Sep 2016	(% of adjusted estimate)				
Departmental receipts	298	224	75	17%	455	152	68%	307	613	100	00%	382	62	32%
Tax receipts														
Sales of goods and services other than capital receipts	85	77	90	59%	130	152	94%	88	394	64	27%	355	90	10%
Transfers received														
Fines, penalties and forfeits														
Interest, dividends and rent on land	13	4	30	77%	8	61	54%	13	13	2	12%	6	46	15%
Sales of capital assets														
Financial transactions in assets and liabilities	200	143	71	50%	317	158	50%	206	206	33	61%	21	10	19%
Provincial Revenue Fund receipts (non-departmental receipts)														
Restructuring proceeds from SASRIA														
Structured levy account from SARB														
Total departmental receipts	298	224	75	17%	455	152	68%	307	613	100	00%	382	62	32%

Revenue trends for the first half of 2016/17

The department collected more revenue amounting to R0.382 million or 62.3 percent and the revenue collection is more than revenue collected in the previous financial year in terms of figures.

Sales of goods and services

The collection on this item was R0.355 million or 90.1 percent, this was due to garnishee order, commission on insurance as well as the sales of tender documents.

Interest, dividends and rent on land

The interest at the end of the second was R0.6 million or 46.1 percent, whilst the interest at the end of the second quarter in the last financial year was R0.4 million or 30.7 percent

Financial transactions in asset & liabilities

In terms of financial transaction in assets and liabilities, only R0.21 million or 10.1 percent was recorded during the six month of this current year, but in the last financial year, an amount of R0.143 million or 71.5 percent was collected.

Vote 13 – Human Settlements

2016 Adjusted Estimates of Provincial Revenue & Expenditure

Changes to transfers and subsidies, including conditional grants

Table 13.5: Summary of changes to transfers and subsidies per programme

		2016/17							
		Adjustment appropriation							
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
1. Programme name									
Economic sphere									
Current/Capital									
Household									
Item name									
2. Housing Needs, Research & Planning	2 951								2 951
Economic sphere									
Current									
Higher Education Institutions									
University of the Free State	1 081				100			100	1 181
Household									
H/H:Donations&Gifts(Cash)	1 870				(100)			(100)	1 770
3. Housing Development	1 122 031		2 784		8 700	(43 000)	10 000	(29 516)	1 092 515
Economic sphere									
Capital									
Household									
Individual support housing	1 122 031		2 784		8 700	(43 000)	10 000	(29 516)	1 092 515
Total transfers and subsidies	1 124 982		2 784		8 700	(43 000)	10 000	(29 516)	1 095 466

Table 13.6(a): Summary of changes to conditional grants

		2016/17							
		Adjustment appropriation							
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
1. Programme name									
Economic sphere									
Current/Capital									
Conditional grant name									
Item name									
2. Programme name									
Economic sphere									
Current/Capital									
Conditional grant name									
Item name									
3. Housing Development	1 098 411		2 784					2 784	1 101 195
Economic sphere									
Current									
Human Settlement Development Grant									
Compensation of employees	24 634				(6 000)			(6 000)	18 634
Goods and Services	4 281				(2 600)			(2 600)	1 681
Capital									
Household(H/H)	1 069 396		2 784		8 700			11 484	1 080 880
Other machinery & equipment	100				(100)			(100)	
Total conditional grants	1 098 411		2 784					2 784	1 101 195

Summary of changes to provincial earmarked funds

Table 13.6(b): Summary of changes to provincial earmarked funds

R thousand	2016/17								
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds			Other adjustments
1. Administration									
Economic sphere									
Current/Capital									
Earmarked fund									
2. Housing Needs, Research & Planning									
Economic sphere									
Current/Capital									
Earmarked fund									
3. Housing Development	50 000					(43 000)	10 000	(33 000)	17 000
Economic sphere									
Capital									
Earmarked fund	50 000					(43 000)	10 000	(33 000)	17 000
Demolition and Building of Two Room Houses									
Total earmarked funds	50 000					(43 000)	10 000	(33 000)	17 000

Revised Infrastructure Project List:

Not applicable.

Summary of Adjusted Infrastructure Appropriation:

Not applicable.

Aid Assistance

Not applicable.