

VOTE 8

DEPARTMENT OF HUMAN SETTLEMENTS

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 871 166	6 048 666		177 500
of which:				
Current payments	560 595	642 193		81 598
Transfers and subsidies	5 260 704	5 361 004		100 300
Payments for capital assets	49 867	45 367	(4 500)	
Payment for financial assets		102		102
Executive authority	MEC for Human Settlements and Cooperative Governance and Traditional Affairs			
Accounting officer	Head of Department			

1. Vision and Mission

Vision

Integrated sustainable human settlements and improved quality of household life

Mission

To provide relevant differentiated, quality housing opportunities to qualifying beneficiaries in partnership with various stakeholders

2. Changes to programme purpose, objective and measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2016/17

TABLE 8.1 DEPARTMENT OF HUMAN SETTLEMENTS

Programme	Main Appropriation	2016/17 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	439 358			27 500	(43 234)			50 000	34 266	473 624
2. Housing, Needs, Research & Planning	33 078				220				220	33 298
3. Housing Development	5 287 261			100 000	32 014				132 014	5 419 275
4. Housing Assets Property Management	111 469				11 000				11 000	122 469
Total for programmes	5 871 166			127 500				50 000	177 500	6 048 666

Economic classification	Main Appropriation	2016/17 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	560 595			19 000	12 598			50 000	81 598	642 193
Compensation of employees	404 372									404 372
Salaries & wages	333 328									333 328
Social contribution	71 044									71 044
Goods and services	156 223			19 000	12 598			50 000	81 598	237 821
Interest and rent on land										
Transfers and subsidies	5 260 704			100 000	300				100 300	5 361 004
Provinces and municipalities										
Households	5 260 704			100 000	300				100 300	5 361 004
Payments for capital assets	49 867			8 500	(13 000)				(4 500)	45 367
Buildings and other fixed structures										
Machinery and equipment	40 000			8 500	(15 000)				(6 500)	33 500
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets	9 867				2 000				2 000	11 867
Payments for financial assets					102				102	102
Total economic classification	5 871 166			127 500				50 000	177 500	6 048 666

The 2016/17 main appropriation of the Department of Human Settlements amounts to R5.9 billion, which consists of R5 billion Human Settlements Development Grant and R900 million in the form of the equitable share.

The departmental budget is adjusted upwards by R177.5 million to an adjusted appropriation of R6 billion. The increase in the department's budget mainly relates to a roll-over of R127.5 million and R50 million additional funding. The roll-over of 27.5 million is approved for payment of rates and taxes for housing stock and for the procurement of laptops and furniture for the new Johannesburg regional offices while R100 million is allocated for the infrastructure implementation for the housing development in Syferfontein phase 2 project. The project will support the department's new strategy of

mega human settlements and new cities as part of achieving decisive spatial transformation and modernising human settlements and urban development. R30 million additional funding is allocated for municipal services to ensure that the department's municipal debt is brought up to date and R20 million is made available to the department for security services.

Through virements personnel funds (i.e. R34 million) mis-classified under (Corporate Services sub-unit) in Administration programme are re-classified to (Administration sub-unit) under Housing Development programme where the functions are performed.

Through shifts, the goods and services budget increases by R13 million due to R15 million being re-classified from finance lease under capital assets to operating leases under goods and services. Payment for capital assets budget increases by R2 million due to a shift made from goods and services to capital assets for the provision of IT infrastructure to the newly leased Johannesburg regional office.

4. Details of Adjustments to Estimates of Departmental Expenditure 2016/17

Programme 1: Administration

TABLE 8.2: PROGRAMME 1: ADMINISTRATION

Programme	Main Appropriation	2016/17 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. Corporate Services	439 358			27 500	(43 234)			50 000	34 266	473 624
Total for programme	439 358			27 500	(43 234)			50 000	34 266	473 624

Economic classification	Main Appropriation	2016/17 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	389 175			19 000	(30 626)			50 000	38 374	427 549
Compensation of employees	242 921				(39 414)				(39 414)	203 507
Salaries & wages	194 474				(28 790)				(28 790)	165 684
Social contribution	48 447				(10 624)				(10 624)	37 823
Goods and services	146 254			19 000	8 788			50 000	77 788	224 042
Interest and rent on land										
Interest (Incl. interest on finance leases)										
Rent on land										
Transfers and subsidies	316				300				300	616
Provinces and municipalities										
Households	316				300				300	616
Payments for capital assets	49 867			8 500	(13 010)				(4 510)	45 357
Buildings and other fixed structures										
Machinery and equipment	40 000			8 500	(15 010)				(6 510)	33 490
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										

Economic classification	Main Appropriation	2016/17 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										
Software and other intangible assets	9 867				2 000				2 000	11 867
Payments for financial assets					102				102	102
Total economic classification	439 358			27 500	(43 234)			50 000	34 266	473 624

TABLE 8.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(58 226)		27 600
Compensation of employees	Personnel funds mis-classified under (Corporate Services sub-unit) under Administration programme are re-classified under (Administration sub-unit) under Housing Development programme where functions are performed	(39 414)		
Goods and services	Fewer applications for busarries and training received; telephone mamagement system installed; funds mis-classified under contractors; provision of refreshments during strategic meetings minimised; and provision of transport for events not supporting departmental outputs minimised	(18 812)	Funds are made available for awereness campaigns; catering and venues during the handing over of title deeds as the department ensures that the backlog on pre 1994 and current stock is cleared; funds made available for specialists who support mega human settlements priority; finance lease re-classified as operating lease; contractors re-classified as property payments and provision for cleaning services at regional offices	27 600
Interest and rent on land				
Transfers and subsidies				300
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 benefits due to former employees	300
Payments for capital assets		(15 010)		2 000
Buildings and other fixed structures				
Machinery and equipment	Funds mis-classified as finance lease are re-classified as operating leases (G-fleet lease)	(15 010)		
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets			Provision for IT infrastructure to the newly leased Johannesburg regional office	2 000
Payments for financial assets			Provision for bad debts written off	102
Total economic classification		(73 236)		30 002

Provincial roll-over: R27.5 million

The roll-over is approved for payment of rates and taxes for housing stock and for the procurement of laptops and furniture for the newly acquired Johannesburg regional offices.

Virements and shifts

Through virements, the budget decreases by R43 million for which R39 million were personnel funds mis-classified under (Corporate Services sub-unit) under Administration programme and are re-classified under (Administration sub-unit) under Housing Development programme where functions are performed. A further R3.8 million is reprioritised within goods and services on traveling and subsistence and venues and facilities from Administration programme to Housing Development and Housing Needs, Research and Planning programme where the functions are performed.

Through shifts, goods and services increase by R13 million due to the reclassification of vehicle leases from financial lease to operational lease. Another R2 million is shifted from goods and services to software and other intangible assets under capital assets to provide for IT infrastructure to the newly leased Johannesburg regional office. Funds are also shifted within goods and services to provide mainly for awareness campaigns; catering and venues during the handing over of title deeds as the department ensures that the backlog on pre 1994 and current stock is cleared; specialists who support mega human settlements priority; contractors re-classified as property payments; and provision for cleaning services at regional office.

Additional provincial funding: R50 million

Through additional funding and rollovers, the budget for the programme increases by R34.3 million from R439.3 million to R473.6 million. The R50 million additional funding comprise of R30 million allocated for municipal services to ensure that the department's municipal debt is brought up to date and R20 million that is made available to the department for security services.

Programme 2: Housing Needs, Research and Planning

TABLE 8.4: PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

Programme	Main Appropriation	2016/17 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	11 272				47				47	11 319
2. Policy	10 611				100				100	10 711
3. Planning	11 195				73				73	11 268
4. Research										
Total for programme	33 078				220				220	33 298

Economic classification	Main Appropriation	2016/17 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	33 078				210				210	33 288
Compensation of employees	32 657									32 657
Salaries & wages	25 318									25 318
Social contribution	7 339									7 339
Goods and services	421				210				210	631
Interest and rent on land										
Interest (Incl. interest on finance leases)										
Rent on land										
Transfers and subsidies										
Provinces and municipalities										
Households										
Payments for capital assets					10				10	10

Economic classification	Main Appropriation	2016/17 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										
Buildings and other fixed structures										
Machinery and equipment					10				10	10
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Payments for financial assets										
Total economic classification	33 078				220				220	33 298

TABLE 8.5: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

Economic classification	Motivation	From	Motivation	To
Current payments		(351)		561
Compensation of employees				
Goods and services	Issuing of stationery controlled and expenditure on operating payments is incurred under administration programme and therefore funds are re-directed to areas with spending pressures.	(351)	Funds are made available to provide for specialists services who supports the department's priority of mega human settlements and funds are reallocated from Administration programme on travelling and subsistence and venues and facilities item to this programme where functions are performed	561
Interest and rent on land				
Transfers and subsidies				
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households				
Payments for capital assets				10
Buildings and other fixed structures				
Machinery and equipment			Reallocation of funds from Administration programme to Housing Needs, Research and Planning programme where expenditure is incurred	10
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(351)		571

Virements and shifts

Through virements, the budget for this programme is adjusted upwards by R220 000 from R33 million to R33.2 million due to virements made from Administration programme under travelling and subsistence and venues and facilities to this programme where the function is performed.

A total of R351 000 is reallocated within goods and services due to lower expenditure on stationery as the use of stationery is controlled and non expenditure on operating payments due to the expenditure being incurred on administration programme. The funds are made available to provide for specialists services to support the department's mega projects.

Programme 3: Housing Development

TABLE 8.6: PROGRAMME 3: HOUSING DEVELOPMENT

Programme	Main Appropriation	2016/17 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	128 848				43 014				43 014	171 862
2. Financial Interventions	339 157				118 624				118 624	457 781
3. Incremental Interventions	4 226 619			100 000	(311 007)				(211 007)	4 015 612
4. Social And Rental Intervention	510 427				246 007				246 007	756 434
5. Rural Intervention	82 210				(64 624)				(64 624)	17 586
Total for Programme	5 287 261			100 000	32 014				132 014	5 419 275

Economic classification	Main Appropriation	2016/17 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	126 643				43 014				43 014	169 657
Compensation of employees	120 565				39 414				39 414	159 979
Salaries & wages	107 750				28 790				28 790	136 540
Social contribution	12 815				10 624				10 624	23 439
Goods and services	6 078				3 600				3 600	9 678
Interest and rent on land										
Transfers and subsidies	5 160 618			100 000	(11 000)				89 000	5 249 618
Provinces and municipalities										
Households	5 160 618			100 000	(11 000)				89 000	5 249 618
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	5 287 261			100 000	32 014				132 014	5 419 275

TABLE 8.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: HOUSING DEVELOPMENT

Economic classification	Motivation	From	Motivation	To
Current payments				43 014
Compensation of employees			Personnel funds mis-classified under (Corporate Services sub-unit) in Administration programme are re-classified to (Administration sub-unit) under Housing Development programme where functions are performed	39 414
Goods and services			Reallocation of mis-classified funds under travelling and subsistence and venues and facilities from Administration programme to Housing Development where functions are performed	3 600
Interest and rent on land				
Transfers and subsidies		(375 631)		364 631
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households	Departmental business plan realting to the Human Settlements Development Grant reprioritised	(375 631)	Departmental business plan realting to the Human Settlements Development Grant reprioritised	364 631
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		(375 631)		407 645

Provincial roll-overs: R100 million

An amount of R100 million is allocated to infrastructure implementation for the housing development in Syferfontein phase 2 project. The project will support the department's new strategy of mega human settlements and new cities as part of achieving decisive spatial transformation and modernising human settlements and urban development.

Virements and shifts

Through virements, the programme receives R43 million from Programme 1. This amount comprises R39.4 million allocated to compensation of employees which were funds mis-classified under (Corporate Services sub-unit) in Administration programme and are re-classified to (Administration sub-unit) under Housing Development programme where functions are performed. An amount of R3.6 million under goods and services is mis-classified funds under travelling and subsistence and venues and facilities from Administration programme to Housing Development where functions are performed.

A total of R376 million is reprioritized on the programme due to the reprioritization of the department's business plan. R364 million is reprioritized within the programmes as per the business plan whilst R11 million is reallocated to programme 4 to fund the Enhanced Extended Discount Benefit Scheme (EEDBS).

Programme 4: Housing Assets and Property Management

TABLE 8.8: PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

Programme	Main Appropriation	2016/17 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	11 699									11 699
2. Sales& Transfer Of Hous Props	51 000				11 000				11 000	62 000
3. Devolution Of Housing Properties	2 270									2 270
4. Housing Properties Maintenance	46 500									46 500
Total for Programme	111 469				11 000				11 000	122 469

Economic classification	Main Appropriation	2016/17 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	11 699									11 699
Compensation of employees	8 229									8 229
Salaries & wages	5 786									5 786
Social contribution	2 443									2 443
Goods and services	3 470									3 470
Interest and rent on land										
Interest (Incl. interest on finance leases)										
Rent on land										
Transfers and subsidies	99 770				11 000				11 000	110 770
Provinces and municipalities										
Households	99 770				11 000				11 000	110 770
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	111 469				11 000				11 000	122 469

TABLE 8.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

Economic classification	Motivation	From	Motivation	To
Current payments				
Compensation of employees				
Goods and services				
Interest and rent on land				
Transfers and subsidies				11 000
Provinces and municipalities				

Economic classification	Motivation	From	Motivation	To
Departmental agencies and accounts Higher education institutions Foreign governments and international organisations Public corporations and private enterprises Non-profit institutions Households			R11 million is reallocated from Programme 3 to fund the Enhanced Extended Discount Benefit Scheme Programme.	11 000
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				11 000

Virements and shifts

The programme receives R11 million from programme 3 to fund the Enhanced Extended Discount Benefit Scheme Programme which exceeded the planned target on residential properties to be transferred to beneficiaries. The move was informed by the reprioritisation of the departmental business plan.

5. Expenditure 2015/16 and preliminary expenditure 2016/17

TABLE 8.10 EXPENDITURE 2015/16 AND PRELIMINARY EXPENDITURE 2016/17: DEPARTMENT OF HUMAN SETTLEMENTS

Department	2015/16 Expenditure Outcome				2016/17 Preliminary expenditure		
	Adjusted appropriation	April 2015 - September 2015	April 2015 - March 2016	April 2015 - March 2016 as a % of adjusted appropriation	Adjusted appropriation	April 2016-September 2016	% change 15/16-16/17 Apr-Sept
R thousand							
1.Administration	398 543	153 895	364 915	92%	473 624	165 613	8%
2.Housing needs, Research and Planning	25 798	9 945	22 369	87%	33 298	9 145	(8%)
3.Housing Development	4 446 184	1 690 770	4 278 821	96%	5 419 275	2 611 679	54%
4.Housing Assets Management Property Management	215 379	36 272	81 221	38%	122 469	81 221	124%
Total for programmes	5 085 904	1 890 882	4 747 326	93%	6 048 666	2 867 658	52%
Current payments	599 406	241 126	549 943	92%	642 193	252 475	6%
Compensation of employees	378 489	176 291	360 240	95%	404 372	188 166	7%
Goods and Services	220 917	64 835	189 703	86%	237 821	64 309	(1%)
Interest and rent on land							
Transfers and subsidies	4 458 424	1 646 204	4 196 305	94%	5 361 004	2 604 864	58%
Provinces and municipalities							
Households	4 458 424	1 646 204	4 196 305	94%	5 361 004	2 604 864	58%
Payments for capital assets	28 074	3 552	1 059	4%	45 367	10 216	188%
Buildings and other fixed structures							
Machinery and equipment	16 926	187	1 052		33 500	10 216	5 363%
Heritage assets							

Department	2015/16 Expenditure Outcome				2016/17 Preliminary expenditure		
	Adjusted appropriation	April 2015 - September 2015	April 2015 - March 2016	April 2015 - March 2016 as a % of adjusted appropriation	Adjusted appropriation	April 2016-September 2016	% change 15/16-16/17 Apr-Sept
R thousand							
Specialised military assets							
Biological assets							
Land and sub-soil assets							
Software and other intangible assets	11 148	3 365	7		11 867		(1%)
Payments for financial assets			19		102	103	
Total economic classification	5 085 904	1 890 882	4 747 326	93%	6 048 666	2 867 658	52%

Expenditure trend for 2015/16

The total appropriation for the financial year 2015/16 amounted to R5 billion as a result of the departments budget being revised downwards by R908 million. As at the end of the financial year, total expenditure amounted to R4.7 billion or 93 per cent of the total adjusted budget. The main driver of expenditure was Programme 3 which spent R4.3 billion or 96 per cent. Goods and services spent 86 per cent or R190 million of the allocated budget. Compensation of employees expenditure amounted to R360 million or 92 per cent of the total allocation whilst transfers and subsidies expenditure totalled R4.2 billion or 94 per cent of the total allocation.

Expenditure trends for the first half of 2016/17

As at the end of September 2016, the department's spending was R2.9 billion or 47 per cent of the R6 billion overall budget. The slow spending is attributed to the late approval of the business plan by the National Department of Human Settlements (NDHS). The conditional grant funds were disbursed to department in the last week of April 2016.

Programme 1: Administration

As at 30 September 2016, spending on the programme amounted to R166 million or 35 per cent of the total budget of R474 million. The main drivers of expenditure is compensation of employees and accruals relating to the G-fleet account in goods and services. For the period under review, overall management of cash versus budget shows significant improvement when compared to the same period in the previous financial year.

Programme 2: Housing Needs, Research and Planning

For the period under review, the programme spent R9.1 million or 27 per cent against the total budget of R33.3 million. The spending on this programme relates to compensation of employees, travelling and subsistence and use of consultants under goods and services. The programme expenditure is mainly attributed to Sub-programme: Policy which spent R7.4 million or 70 per cent of the total annual budget of R10.6 million. The programme expenditure is projected to increase significantly due to studies which were concluded for the period under review.

Programme 3: Housing Development

Expenditure amounted to R2.6 billion or 48 per cent against the total budget of R5.4 billion in the first half of 2016/17. The spending for the first half of the year indicates that the department is on track in terms of the expected spending and is consistent with the department's business plan.

Programme 4: Housing Assets and Property Management

The programme expenditure amounted to R81 million or 66 per cent against the total budget of R122 million as at the end of September 2016. The spending on this programme relates to transfers and subsidies in respect of transfers and in respect of property maintenance.

6. Departmental receipts

Table 8.11 DEPARTMENTAL RECEIPTS

Department	2015/16				2016/17		
	Audited Outcome				Actual Receipts		
	Adjusted appropriation	April 2015 - Sep 2015	April 2015 - Mar 2016	April 2015 - March 2016 as a % of adjusted appropriation	Adjusted appropriation	Apr 2016-Sep 2016	% change 15/16-16/17 Apr-Sept
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	393	464	1 442	4%	414	1 121	1%
Of which Health patient fees							
Transfers received							
Fines, penalties and forfeits							
Interest, dividends and rent on land	344	13	1 500	4%	362	7	
Sales of capital assets						3 046	
Financial transactions in assets and liabilities	3 692	1 028	34 716	9%	3 888	6 058	5%
Total receipts	4 429	1 505	37 658	17%	4 664	10 232	6%

Revenue trends for the first half of 2016/17

The revenue sources for the department are parking fees, sale of tender documents, income from servitude rights and sale of scrap assets valued under R5 000. Income from servitude rights is higher because of increase in the number of lines installed on the land of the department. As at end of first half of the year sales of goods and services other than capital assets over collected by 270 per cent or R707 000. This was due to once off payment for servitudes. There is a trend of increasing number of potential bidders in response to tenders advertised; this trend increases sales of tender documents. Sale of capital assets recorded an over collection due to sale of properties, these were sale of farms which the department did not budget for. Financial assets and liabilities over collected by R6 million due to a surrender from Ekurhuleni Metropolitan Municipality for installation of bulk infrastructure.

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

7.1 Changes to transfers and subsidies

TABLE 8.12: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

Programme	Main Appropriation	2016/17 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 3	5 160 617									5 160 617
Household	5 160 617							100 000	100 000	5 260 617
Programme 4	99 770									99 770
Household	99 770									99 770
Total changes in transfers	5 260 387							100 000	100 000	5 360 387

Additional provincial funding: R100 million

The total budget for transfers and subsidies increases by a net amount of R100 million which is allocated for the infrastructure implementation for the housing development in Syferfontein phase 2 project. The project will support the department's new strategy of mega human settlements and new cities as part of achieving decisive spatial transformation and modernising human settlements and urban development.

7.2 Changes to conditional grants

TABLE 8.13: SUMMARY OF CHANGES TO CONDITIONAL GRANTS

Programme	Main Appropriation	2016/17 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 3	4 946 673	(21 569)								4 925 104
Human Settlements Development Grant	4 922 899									4 922 899
Housing disaster grant in Ekurhuleni	21569	(21 569)								
EPWP	2 205									2 205
Programme 4	99 770									99 770
Human Settlements Development Grant	99 770									99 770
Total changes in conditional grants	5 046 443	(21 569)								5 024 874

The conditional grants decreases by R21.6 million. The grant relates to the Emergency Relief Funding (Provincial Disaster Grant) to repair houses that were damaged by hail storm in Ekurhuleni Metropolitan Municipality in November 2015.

7.3 Changes to infrastructure

Please refer to 2016 Adjusted Estimates on Capital Expenditure (AECE).

