

Vote 04

Agriculture and Rural Development

Adjusted budget summary

| 2016/17 | | | | |
|--|--------------------------------|------------------------|-----------------|----------------|
| R thousand | Main appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 1 782 912 | 1 793 216 | (11 400) | (1 096) |
| <i>of which:</i> | | | | |
| Current payments | 1 553 242 | 1 554 078 | (836) | - |
| Transfers and Subsidies | 158 345 | 156 849 | - | (1 496) |
| Payments for Capital Assets | 71 325 | 81 889 | (10 564) | - |
| Payment for financial assets | - | 400 | | 400 |
| Direct charge against the Provincial Revenue Fund | 1 902 | 1 902 | - | - |
| Executive authority | MEC for Agriculture | | | |
| Accounting officer | Deputy Director General | | | |

Vote Purpose

To lead and support sustainable agriculture and promote rural development in the Province through governance, knowledge development and transfers, regulatory function and financial support to agriculture

Adjusted Estimates of Departmental Expenditure 2016/17

Programme Summary

Table 4.1: Adjusted estimates

| R thousand | 2016/17 | | | | | | | Adjusted appropriation | |
|---|--------------------|------------|---------------------------|---------------------|-----------------|------------------------|-------------------|------------------------|---------------------------------|
| | Main appropriation | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | Other adjustments | | Total adjustments appropriation |
| Programme | | | | | | | | | |
| 1. Administration | 361 121 | - | - | 17 182 | - | - | - | 17 182 | 378 303 |
| 2. Sustainable Resource Management | 91 826 | - | 10 000 | (11 222) | - | - | - | (1 222) | 90 604 |
| 3. Farmer Support and Development | 1 060 030 | 304 | - | 4 061 | - | - | - | 4 365 | 1 064 395 |
| 4. Veterinary Services | 58 782 | - | - | (1 949) | - | - | - | (1 949) | 56 833 |
| 5. Technology Research and Development | 63 464 | - | - | (8 018) | - | - | - | (8 018) | 55 446 |
| 6. Agricultural Economics | 24 443 | - | - | (4 667) | - | - | - | (4 667) | 19 776 |
| 7. Structured Agricultural Training | 114 907 | - | - | 4 613 | - | - | - | 4 613 | 119 520 |
| 8. Rural Development Co-ordination | 6 437 | - | - | - | - | - | - | - | 6 437 |
| Subtotal | 1 781 010 | 304 | 10 000 | - | - | - | - | 10 304 | 1 791 314 |
| Fund | | | | | | | | | |
| Statutory | 1 902 | - | - | - | - | - | - | - | 1 902 |
| Total | 1 782 912 | 304 | 10 000 | - | - | - | - | 10 304 | 1 793 216 |
| Economic classification. | | | | | | | | | |
| Current Payments | 1 553 242 | - | 10 000 | (9 164) | - | - | - | 836 | 1 554 078 |
| Compensation of employees | 1 153 546 | - | - | (48 491) | - | - | - | (48 491) | 1 105 055 |
| Goods and services | 399 696 | - | 10 000 | 39 327 | - | - | - | 49 327 | 449 023 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | 158 345 | 304 | - | (1 800) | - | - | - | (1 496) | 156 849 |
| Provinces and municipalities | 320 | - | - | 79 | - | - | - | 79 | 399 |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Universities and technikons | - | - | - | - | - | - | - | - | - |
| Public corporations & private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit making institutions | - | - | - | - | - | - | - | - | - |
| Households | 158 025 | 304 | - | (1 879) | - | - | - | (1 575) | 156 450 |
| Payment for capital assets | 71 325 | - | - | 10 564 | - | - | - | 10 564 | 81 889 |
| Building and other fixed structures | 34 514 | - | - | 9 272 | - | - | - | 9 272 | 43 786 |
| Machinery and equipment | 34 760 | - | - | 1 292 | - | - | - | 1 292 | 36 052 |
| Biological assets | 2 051 | - | - | - | - | - | - | - | 2 051 |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | 400 | - | - | - | 400 | 400 |
| Total | 1 782 912 | 304 | 10 000 | - | - | - | - | 10 304 | 1 793 216 |

The budget allocation has increased by R10.304 million for unforeseeable & unavoidable expenditure and roll overs requested from the previous financial year. A saving on Compensation of Employees (CoE) emanating from vacant posts and the drive to reduce the CoE expenditure was utilised towards funding other departmental pressures. Virements and shiftings were made to cater amongst others, the additional contractual obligation informed by additional services required from SITA and departmental office sites that requires additional security services. Included are funds allocated for drought alleviation programmes amounting to R10.000 million and rollover of funds granted for the completion of the Mariveni Project amounting to R0.304 million.

Programme 1: Administration

Table 4.1.1: Adjusted estimates

| Administration | | 2016/17 | | | | | | | Adjusted appropriation |
|---|--------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|---------------------------------|-------------------|------------------------|
| R thousand | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | | |
| | | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | | Other adjustments | |
| Subprogramme | | | | | | | | | |
| 1. Office of the MEC | 8 209 | - | - | 1 608 | - | - | - | 1 608 | 9 817 |
| 2. Senior Management | 25 278 | - | - | (1 540) | - | - | - | (1 540) | 23 738 |
| 3. Communication and Liaison Services | 8 656 | - | - | - | - | - | - | - | 8 656 |
| 4. Corporate Services | 164 072 | - | - | 14 844 | - | - | - | 14 844 | 178 916 |
| 5. Financial Management | 156 808 | - | - | 2 270 | - | - | - | 2 270 | 159 078 |
| Total | 363 023 | - | - | 17 182 | - | - | - | 17 182 | 380 205 |
| Economic classification. | | | | | | | | | |
| Current Payments | 339 319 | - | - | 14 146 | - | - | - | 14 146 | 353 465 |
| Compensation of employees | 243 120 | - | - | (2 488) | - | - | - | (2 488) | 240 632 |
| Goods and services | 96 199 | - | - | 16 634 | - | - | - | 16 634 | 112 833 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | 5 744 | - | - | 1 611 | - | - | - | 1 611 | 7 355 |
| Provinces and municipalities | 180 | - | - | - | - | - | - | - | 180 |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Universities and technikons | - | - | - | - | - | - | - | - | - |
| Public corporations & private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit making institutions | - | - | - | - | - | - | - | - | - |
| Households | 5 564 | - | - | 1 611 | - | - | - | 1 611 | 7 175 |
| Payment for capital assets | 17 960 | - | - | 1 025 | - | - | - | 1 025 | 18 985 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 17 960 | - | - | 1 025 | - | - | - | 1 025 | 18 985 |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | 400 | - | - | - | 400 | 400 |
| Total | 363 023 | - | - | 17 182 | - | - | - | 17 182 | 380 205 |

Administration programme increased by R17.182 million to cater for additional contractual obligations in SITA services (R14.146 million); replacement of purchase order printers (R1.025 million); payments for leave gratuities (R1.611 million); and provision for debts write off amounting to R0.400 million

Programme 2: Sustainable Resource Management

Table 4.1.2: Adjusted estimates

| Sustainable Resource Management | | 2016/17 | | | | | | | Adjusted appropriation |
|---|--------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|---------------------------------|------------------------|------------------------|
| R thousand | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation | |
| | | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | | | Other adjustments |
| Subprogramme | | | | | | | | | |
| 1. Engineering Services | 27 269 | - | - | (8 874) | - | - | - | (8 874) | 18 395 |
| 2. Land Care | 47 880 | - | - | (2 348) | - | - | - | (2 348) | 45 532 |
| 3. Disaster Risk Management | 16 677 | - | 10 000 | - | - | - | - | 10 000 | 26 677 |
| Total | 91 826 | - | 10 000 | (11 222) | - | - | - | (1 222) | 90 604 |
| Economic classification. | | | | | | | | | |
| Current Payments | 81 576 | - | 10 000 | (7 324) | - | - | - | 2 676 | 84 252 |
| Compensation of employees | 44 787 | - | - | (6 196) | - | - | - | (6 196) | 38 591 |
| Goods and services | 36 789 | - | 10 000 | (1 128) | - | - | - | 8 872 | 45 661 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | 5 900 | - | - | (4 108) | - | - | - | (4 108) | 1 792 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Universities and technikon | - | - | - | - | - | - | - | - | - |
| Public corporations & private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit making institutions | - | - | - | - | - | - | - | - | - |
| Households | 5 900 | - | - | (4 108) | - | - | - | (4 108) | 1 792 |
| Payment for capital assets | 4 350 | - | - | 210 | - | - | - | 210 | 4 560 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 4 350 | - | - | 210 | - | - | - | 210 | 4 560 |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 91 826 | - | 10 000 | (11 222) | - | - | - | (1 222) | 90 604 |

The budget for this programme has been adjusted downward by R11.222 million which include an amount of (R6.196 million) on Compensation of Employees due to non-filling of vacant positions; an amount of (R1.128 million) on Goods and Services due to amongst others the decision to fund RESIS Projects in CASP. An amount of R4.108 million has been shifted for RESIS projects from this programme to programme three.

Programme 3: Farmer Support and Development

Table 4.1.3: Adjusted estimates

| Farmer Support and Development | | 2016/17 | | | | | | | Adjusted appropriation |
|--------------------------------------|--------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|---------------------------------|-------------------|------------------------|
| R thousand | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | | |
| | | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | | Other adjustments | |
| Subprogramme | | | | | | | | | |
| 1. Farmer Settlement and Development | 275 482 | 304 | - | 768 | - | - | - | 1 072 | 276 554 |
| 2. Extension and Advisory Services | 4 246 | - | - | 3 810 | - | - | - | 3 810 | 8 056 |
| 3. Food Security | 780 302 | - | - | (517) | - | - | - | (517) | 779 785 |
| Total | 1 060 030 | 304 | - | 4 061 | - | - | - | 4 365 | 1 064 395 |

| Economic classification. | | 2016/17 | | | | | | | Adjusted appropriation |
|---|--------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|---------------------------------|-------------------|------------------------|
| R thousand | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | | |
| | | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | | Other adjustments | |
| Current Payments | 877 984 | - | - | (2 237) | - | - | - | (2 237) | 875 747 |
| Compensation of employees | 674 435 | - | - | (18 375) | - | - | - | (18 375) | 656 060 |
| Goods and services | 203 549 | - | - | 16 138 | - | - | - | 16 138 | 219 687 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | 145 681 | 304 | - | (1 317) | - | - | - | (1 013) | 144 668 |
| Provinces and municipalities | 140 | - | - | 39 | - | - | - | 39 | 179 |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Universities and technicians | - | - | - | - | - | - | - | - | - |
| Public corporations & private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit making institutions | - | - | - | - | - | - | - | - | - |
| Households | 145 541 | 304 | - | (1 356) | - | - | - | (1 052) | 144 489 |
| Payment for capital assets | 36 365 | - | - | 7 615 | - | - | - | 7 615 | 43 980 |
| Buildings and other fixed structures | 24 800 | - | - | 7 558 | - | - | - | 7 558 | 32 358 |
| Machinery and equipment | 9 514 | - | - | 57 | - | - | - | 57 | 9 571 |
| Biological assets | 2 051 | - | - | - | - | - | - | - | 2 051 |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 1 060 030 | 304 | - | 4 061 | - | - | - | 4 365 | 1 064 395 |

The allocation for this programme has increased by R4.355 million to cater for security services and departmental Infrastructure projects already awarded, such as processing unit at Madzivhandila, rollovers for the completion of Mariveni phase one project, purchases of mobile offices for local agricultural offices and retention funds at Makhado Local Agricultural Office.

Programme 4: Veterinary Services

Table 4.1.4: Adjusted estimates

| Veterinary Services | | 2016/17 | | | | | | | Adjusted appropriation |
|---|--------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|---------------------------------|-------------------|------------------------|
| R thousand | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | | |
| | | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | | Other adjustments | |
| Subprogramme | | | | | | | | | |
| 1. Animal Health | 31 146 | - | - | 271 | - | - | - | 271 | 31 417 |
| 2. Veterinary Public Health | 9 248 | - | - | 580 | - | - | - | 580 | 9 828 |
| 3. Veterinary Laboratory Services | 18 388 | - | - | (2 800) | - | - | - | (2 800) | 15 588 |
| Total | 58 782 | - | - | (1 949) | - | - | - | (1 949) | 56 833 |
| Economic classification. | | | | | | | | | |
| Current Payments | 58 250 | - | - | (1 961) | - | - | - | (1 961) | 56 289 |
| Compensation of employees | 41 048 | - | - | (2 332) | - | - | - | (2 332) | 38 716 |
| Goods and services | 17 202 | - | - | 371 | - | - | - | 371 | 17 573 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | 60 | - | - | 12 | - | - | - | 12 | 72 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Universities and technicians | - | - | - | - | - | - | - | - | - |
| Public corporations & private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit making institutions | - | - | - | - | - | - | - | - | - |
| Households | 60 | - | - | 12 | - | - | - | 12 | 72 |
| Payment for capital assets | 472 | - | - | - | - | - | - | - | 472 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 472 | - | - | - | - | - | - | - | 472 |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 58 782 | - | - | (1 949) | - | - | - | (1 949) | 56 833 |

The programme decreased its allocation by R1.949 million on Compensation of Employees due to non-filling of vacant posts.

Programme 5: Technology Research and Development

Table 4.1.5: Adjusted estimates

| Technology, Research and Development | | 2016/17 | | | | | | | Adjusted appropriation |
|---|--------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|-------------------|---------------------------------|------------------------|
| R thousand | Main appropriation | Adjustments appropriation | | | | | | Total adjustments appropriation | |
| | | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | Other adjustments | | |
| Subprogramme | | | | | | | | | |
| Research Services | 63 464 | - | - | (8 018) | - | - | - | (8 018) | 55 446 |
| Total | 63 464 | - | - | (8 018) | - | - | - | (8 018) | 55 446 |
| Economic classification. | | | | | | | | | |
| Current Payments | 61 878 | - | - | (8 464) | - | - | - | (8 464) | 53 414 |
| Compensation of employees | 52 271 | - | - | (9 074) | - | - | - | (9 074) | 43 197 |
| Goods and services | 9 607 | - | - | 610 | - | - | - | 610 | 10 217 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | - | - | - | 100 | - | - | - | 100 | 100 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Universities and technikons | - | - | - | - | - | - | - | - | - |
| Public corporations & private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit making institutions | - | - | - | - | - | - | - | - | - |
| Households | - | - | - | 100 | - | - | - | 100 | 100 |
| Payment for capital assets | 1 586 | - | - | 346 | - | - | - | 346 | 1 932 |
| Buildings and other fixed structures | 800 | - | - | 346 | - | - | - | 346 | 1 146 |
| Machinery and equipment | 786 | - | - | - | - | - | - | - | 786 |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 63 464 | - | - | (8 018) | - | - | - | (8 018) | 55 446 |

The programme decreased its allocation with R8.018 million due to the saving on Compensation of Employees as a result of unfilled vacant posts

Programme 6: Agricultural Economics

Table 4.1.6: Adjusted estimates

| Agricultural Economics | | 2016/17 | | | | | | | Adjusted appropriation |
|---|--------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|-------------------|---------------------------------|------------------------|
| R thousand | Main appropriation | Adjustments appropriation | | | | | | Total adjustments appropriation | |
| | | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | Other adjustments | | |
| Subprogramme | | | | | | | | | |
| 1. Agri-Business Support and Development | 18 001 | - | - | (4 633) | - | - | - | (4 633) | 13 368 |
| 2. Macro Economics Support | 6 442 | - | - | (34) | - | - | - | (34) | 6 408 |
| Total | 24 443 | - | - | (4 667) | - | - | - | (4 667) | 19 776 |
| Economic classification. | | | | | | | | | |
| Current Payments | 24 443 | - | - | (6 569) | - | - | - | (6 569) | 17 874 |
| Compensation of employees | 20 012 | - | - | (4 758) | - | - | - | (4 758) | 15 254 |
| Goods and services | 4 431 | - | - | (1 811) | - | - | - | (1 811) | 2 620 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | - | - | - | 1 902 | - | - | - | 1 902 | 1 902 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Universities and technikons | - | - | - | - | - | - | - | - | - |
| Public corporations & private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit making institutions | - | - | - | - | - | - | - | - | - |
| Households | - | - | - | 1 902 | - | - | - | 1 902 | 1 902 |
| Payment for capital assets | - | - | - | - | - | - | - | - | - |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 24 443 | - | - | (4 667) | - | - | - | (4 667) | 19 776 |

The allocation for this program has been decreased by R4.667 million on Compensation of Employees as a result of non-filling of posts.

Details of adjustments to Estimates of Departmental Expenditure

Roll-over of funds – R 0.304 million

The Department received rollovers amounting to R0.304 million on conditional grant which were committed but could not be spent in the 2015/16 financial year. The amount was committed on construction of dam, fencing and electricity at Mariveni project.

Unforeseeable and unavoidable expenditure – R 10.000 million

The Department received additional allocations for unforeseeable and unavoidable expenditure for drought alleviation programmes.

Virements and shifts

Table 4.2: Details on virements per programme and economic classification

| Programmes | | | | | |
|--|--|-----------------|---|--|---------------|
| 1. Administration | | | | | |
| 2. Sustainable Resource Management | | | | | |
| 3. Farmer Support and Development | | | | | |
| 4. Veterinary Services | | | | | |
| 5. Technology Research and Development | | | | | |
| 6. Agricultural Economics | | | | | |
| 7. Structured Agricultural Training | | | | | |
| 8. Rural development Co-ordination | | | | | |
| From | | | To | | |
| Programme/Economic Classification | Motivation | R thousand | Programme/Economic Classification | Motivation | R thousand |
| Programme 2 | | (10 304) | Programme 3: Farmer Support & Development Serv | | 10 304 |
| Econ Class: Compensation of Employees | Savings due to vacant positions and CoE reduction strategy | (6 196) | Econ Class: Transfers and Subsidies | To cater for Leave Gratuities expenditure already incurred due to retirement | 6 196 |
| Econ Class: Transfers and Subsidies | RESIS project were funded within CASP in programme 3 | (4 108) | Econ Class: Goods & Services | To cater for Young and Women Farmers Awards already happened during youth and women's months. | 4 108 |
| Virement to other programmes as a percentage of the programme | | 11.2% | | | |
| Programme 3: Farmer Support & Development Serv | | (14 146) | Programme 1: Administration | | 14 146 |
| Econ Class: Compensation of Employees | Savings due to vacant positions and CoE reduction strategy | (14 146) | Econ Class: Good and Services | To cover additional contractual obligations for SITA services due to increased services rendered to the department | 14 146 |
| Virement to other programmes as a percentage of the programme | | 1.3% | | | |
| Programme 4: Veterinary Services | | (1 949) | Programme 3: Farmer Support | | 1 949 |
| Econ Class: Compensation of Employees | Savings due to vacant positions and CoE reduction strategy | (1 949) | Econ Class: Goods & Services | To make provision for additional Security Services payments | 1 949 |
| Virement to other programmes as a percentage of the programme | | 3.3% | | | |
| Programme 5: Technology Research & Dev. | | (8 646) | Programme 3: Farmer Support | | 8 646 |
| Econ Class: Compensation of Employees | Savings due to vacant positions and CoE reduction strategy | (8 646) | Econ Class: Goods & Services | To make provision for additional Security Services payments | 8 646 |
| Virement to other programmes as a percentage of the programme | | 13.6% | | | |
| Programme 6: Agric. Economics | | (4 613) | Programme 7: Agric. Training | | 4 613 |
| Econ Class: Compensation of Employees | Savings due to vacant positions and CoE reduction strategy | (4 613) | Econ Class: Goods & Services | To make provision for additional Security Services payments, Catering for students and fencing material | 4 613 |
| Virement to other programmes as a percentage of the programme | | 18.9% | | | |
| Total | | | | | |

Expenditure outcome 2015/16 and actual expenditure 2016/17

Table 4.3: Expenditure trends

| R thousand | 2015/16 | | | | | 2016/17 | | |
|---|------------------------|---------------------|------------------------------|--------------------|------------------------------|------------------------|---------------------|------------------------------|
| | Expenditure outcome | | | | | Preliminary outcome | | |
| | Adjusted appropriation | Apr 2015- Sept 2015 | Apr 15-Sept 15 % of adjusted | Apr 2015- Mar 2016 | Apr 15-Mar 16. % of adjusted | Adjusted appropriation | Apr 2016- Sept 2016 | Apr 16-Sept 16 % of adjusted |
| Programme | | | | | | | | |
| 1. Administration | 335 827 | 155 959 | 46.4% | 337 183 | 100.4% | 380 205 | 172 339 | 45.3% |
| 2. Sustainable Resource Management | 89 786 | 33 715 | 37.6% | 67 611 | 75.3% | 90 604 | 35 657 | 39.4% |
| 3. Farmer Support and Development | 1 005 759 | 435 790 | 43.3% | 1 009 993 | 100.4% | 1 064 395 | 448 985 | 42.2% |
| 4. Veterinary Services | 46 848 | 23 874 | 51.0% | 46 504 | 99.3% | 56 833 | 28 111 | 49.5% |
| 5. Technology Research and Development | 51 717 | 21 784 | 42.1% | 47 819 | 92.5% | 55 446 | 24 566 | 44.3% |
| 6. Agricultural Economics | 20 434 | 8 352 | 40.9% | 17 086 | 83.6% | 19 776 | 7 952 | 40.2% |
| 7. Structured Agricultural Training | 93 638 | 45 575 | 48.7% | 87 944 | 93.9% | 119 520 | 46 224 | 38.7% |
| 8. Rural Development Coordination | 6 592 | 3 505 | 53.2% | 6 118 | 92.8% | 6 437 | 2 583 | 40.1% |
| Total | 1 650 601 | 728 554 | 44.1% | 1 620 258 | 98.2% | 1 793 216 | 766 417 | 42.7% |
| Economic classification | | | | | | | | |
| Current payments | 1 406 151 | 664 176 | 47.2% | 1 403 730 | 99.8% | 1 554 078 | 702 080 | 45.2% |
| Compensation of employees | 1 026 922 | 507 988 | 49.5% | 1 009 837 | 98.3% | 1 105 055 | 531 973 | 48.1% |
| Goods and services | 379 229 | 156 188 | 41.2% | 393 893 | 103.9% | 449 023 | 170 107 | 37.9% |
| Interest and rent on land | - | - | - | - | - | - | - | - |
| Transfer and subsidies to: | 169 489 | 50 010 | 29.5% | 164 022 | 96.8% | 156 849 | 52 461 | 33.4% |
| Provinces and municipalities | 304 | 172 | 56.6% | 333 | 109.5% | 399 | 170 | 42.6% |
| Departmental agencies and accounts | 9 000 | - | - | 9 000 | - | - | - | - |
| Universities and technikons | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - |
| Households | 160 185 | 49 838 | 31.1% | 154 689 | 96.6% | 156 450 | 52 291 | 33.4% |
| Payments for capital assets | 72 961 | 14 368 | 19.7% | 50 874 | 69.7% | 81 889 | 11 876 | 14.5% |
| Buildings and other fixed structures | 40 741 | 11 213 | 27.5% | 19 763 | 48.5% | 43 786 | 8 219 | 18.8% |
| Machinery and equipments | 31 450 | 3 155 | 10.0% | 30 890 | 98.2% | 36 052 | 3 657 | 10.1% |
| Biological assets | - | - | 0.0% | - | 0.0% | 2 051 | - | 0.0% |
| Software & other intangible assets | 770 | - | 0.0% | 221 | 0.0% | - | - | 0.0% |
| Land and subsoil assets | - | - | 0.0% | - | 0.0% | - | - | 0.0% |
| Payments for financial assets | 2 000 | - | 0.0% | 1 632 | 81.6% | 400 | - | 0.0% |
| Total | 1 650 601 | 728 554 | 44.1% | 1 620 258 | 98.2% | 1 793 216 | 766 417 | 42.7% |

During the first half of the year, 42.7 per cent of the budget was spent as compared to 44.1 per cent during the same period last year. There was R665.610 million spending on equitable share and R100.807 million on Conditional Grants. The department has spent below standard norm and its own cash flow projections due to non-filling of vacant posts and slow spending on infrastructure projects mainly on CASP due to late implementation and non-responsive bids.

Departmental receipts

Table 4.4: Receipts

| R thousand | 2015/16 | | | | | 2016/17 | | | |
|--|-------------------|------------------|---------------------------------------|-----------------|--------------------------------------|-----------------|-------------------|------------------|---------------------------------------|
| | Audited outcome | | | | | Actual receipts | | | |
| | Adjusted estimate | Apr 15 - Sept 15 | Apr 15-Sept 15 % of adjusted estimate | Apr 15 - Mar 16 | Apr 15-Mar 16 % of adjusted estimate | Budget estimate | Adjusted estimate | Apr 16 - Sept 16 | Apr 16-Sept 16 % of adjusted estimate |
| Tax receipts | | | | | | | | | |
| Sales of goods and services | 5 442 | 4 035 | 74.1% | 8 428 | 154.9% | 6 103 | 7 944 | 3 968 | 49.9% |
| Interest, dividends and rent on land | 103 | 56 | 53.9% | 725 | 703.4% | 104 | 136 | 75 | 55.2% |
| Sales of capital assets | 1 182 | - | 0.0% | 1 744 | 147.5% | 515 | 515 | 89 | 17.3% |
| Financial transactions in assets and liabilities | 1 108 | 639 | 57.7% | 2 325 | 209.8% | 1 352 | 1 361 | 590 | 43.4% |
| Total departmental receipts | 7 835 | 4 729 | 60.4% | 13 221 | 168.7% | 8 074 | 9 956 | 4 722 | 47.4% |

The revenue collection for the department is derived primarily from commission on insurance, sale of agricultural produce and sale of capital assets. The revenue estimate increases from

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R8.0 million to R9.9 million which is 23.3 percent based on improved collection mainly on academic services: tuition and exam fees.

Summary of changes to transfers and subsidies

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

| | | 2016/17 | | | | | | | |
|---|------------------------------------|---------------------------|---------------------------|---------------------|-----------------|------------------------|-------------------|---------------------------------|------------------------|
| | | Adjustments appropriation | | | | | | | |
| R thousand | Main appropriation | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | Other adjustments | Total adjustments appropriation | Adjusted appropriation |
| 1. Administration | | | | | | | | | |
| | Provinces and Municipalities | 180 | - | - | - | - | - | - | 180 |
| | Transfers to Households | 5 564 | - | 1 611 | - | - | - | 1 611 | 7 175 |
| 2. Sustainable Resource Management | | | | | | | | | |
| | Households | 5 900 | - | (4 108) | - | - | - | (4 108) | 1 792 |
| 3. Farmer Support and Development | | | | | | | | | |
| | Provinces and Municipalities | 140 | - | 39 | - | - | - | 39 | 179 |
| | Departmental agencies and accounts | - | - | - | - | - | - | - | - |
| | Transfers to Households | 145 541 | 304 | (1 356) | - | - | - | (1 052) | 144 489 |
| 4. Veterinary Services | | | | | | | | | |
| | Households | 60 | - | 12 | - | - | - | 12 | 72 |
| 5. Technology Research and Development | | | | | | | | | |
| | Provinces and Municipalities | - | - | - | - | - | - | - | - |
| | Transfers to Households | - | - | 100 | - | - | - | 100 | 100 |
| 6. Agricultural Economics | | | | | | | | | |
| | Households | - | - | 1 902 | - | - | - | 1 902 | 1 902 |
| 7. Structured Agricultural Training | | | | | | | | | |
| | Provinces and municipalities | - | - | 40 | - | - | - | 40 | 40 |
| | Households | 960 | - | (40) | - | - | - | (40) | 920 |
| Total | 158 345 | 304 | - | (1 800) | - | - | - | (1 496) | 156 849 |

Summary of changes to conditional grants

Table 4.6: Summary of changes to conditional grants.

| | | 2016/17 | | | | | | | |
|---|--|---------------------------|---------------------------|---------------------|-----------------|------------------------|-------------------|---------------------------------|------------------------|
| | | Adjustments appropriation | | | | | | | |
| R thousand | Main appropriation | Roll-overs | Unforeseeable/unavoidable | Virement and shifts | Function shifts | Declared unspent funds | Other adjustments | Total adjustments appropriation | Adjusted appropriation |
| 2. Sustainable Resource Management | | | | | | | | | |
| | Land Care Grant | 10 438 | - | - | - | - | - | - | 10 438 |
| | EPWP | 4 476 | - | - | - | - | - | - | 4 476 |
| | EPWP social sector | - | - | - | - | - | - | - | - |
| 3. Farmer Support and Development | | | | | | | | | |
| | Comprehensive Agricultural Support Programme Gra | 260 576 | 304 | - | - | - | - | 304 | 260 880 |
| | Letsima Projects | 63 876 | - | - | - | - | - | - | 63 876 |
| Total | 339 366 | 304 | - | - | - | - | - | 304 | 339 670 |