

Office of the Premier

Adjusted Budget Summary

Table 1.1: Adjustment Budget Summary

2016/17			
R thousand	Main appropriation	Adjusted appropriation	(Decrease) / Increase
Amount to be appropriated	209 229	227 811	18 582
<i>of which</i>			-
Current payments	187 945	206 204	18 259
Transfers and subsidies	19 654	19 754	100
Payments for capital assets	1 630	1 853	223
Payments for financial assets	-	-	-
Direct Charge against the Provincial Fund			
Executing authority	Premier of the Northern Cape		
Accounting officer	Director General : Office of the Premier		
Website Address	www.northern-cape.gov.za		

Aim

The aim of the department is to provide strategic leadership, direction and coordinated planning, monitoring and evaluation of developmental programmes to improve the quality of life for all.

Changes to programme purposes, objectives and measures

No changes to programme purposes, objectives and measures were recorded for the 2016/17 financial year.

Adjusted Estimates of Provincial Expenditure 2016

Table 1.2: Adjusted Estimate of Provincial Expenditure

2016/17								
Programme	Main appropriation	Additional appropriation						Adjusted appropriation
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
Administration	99 162	2 166	-	(1 020)	-	-	1 146	100 308
Institutional Development	73 459	1 248	-	1 240	-	15 168	17 656	91 115
Policy and Governance	36 608	-	-	(220)	-	-	(220)	36 388
-	-	-	-	-	-	-	-	-
Total	209 229	3 414	-	-	-	15 168	18 582	227 811
Economic classification	Additional appropriation							
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Current payments	187 945	3 414	-	(323)	-	15 168	18 259	206 204
Compensation of employees	127 731	-	-	(100)	-	-	(100)	127 631
Goods and services	60 214	3 414	-	(223)	-	15 168	18 359	78 573
Interest and rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to:	19 654	-	-	100	-	-	100	19 754
Provinces and municipalities	-	-	-	-	-	-	-	-
Departmental agencies and	3	-	-	-	-	-	-	3
Universities and technikons	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	19 651	-	-	-	-	-	-	19 651
Households	-	-	-	100	-	-	100	100
Payments for capital assets	1 630	-	-	223	-	-	223	1 853
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	1 630	-	-	223	-	-	223	1 853
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	209 229	3 414	-	-	-	15 168	18 582	227 811

Total adjustments- R18.582 million

A total additional amount of R18.582 million was allocated to the department for the purpose of the 2016/17 adjustment budget. The amount includes R3.414 million for rollover; R14.800 million for provincial adjustment and R0.368 million for donor funding.

Details of adjustments to Estimates of Provincial Expenditure 2016

Programme 1: Administration

Table 1.2.1: Programme 1: Administration

2016/17								
Subprogramme	Main appropriation	Additional appropriation						Adjusted appropriation
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
Premier Support	20 076			(300)			(300)	19 776
Executive Council Support	6 841			300			300	7 141
Director General Support	32 064			(720)			(720)	31 344
Financial Management	40 181	2 166		(300)			1 866	42 047
							-	-
Total	99 162	2 166	-	(1 020)		-	1 146	100 308
Economic classification	Additional appropriation							
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Current payments	98 079	2 166	-	(1 258)		-	908	98 987
Compensation of employees	49 644			(340)			(340)	49 304
Goods and services	48 435	2 166		(918)			1 248	49 683
Interest and rent on land							-	-
Transfers and subsidies to:	3	-	-	40		-	40	43
Provinces and municipalities							-	-
Departmental agencies and	3						-	3
Universities and technikons							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households				40			40	40
Payments for capital assets	1 080	-	-	198		-	198	1 278
Buildings and other fixed structures							-	-
Machinery and equipment	1 080			198			198	1 278
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and sub-soil assets							-	-
Software and other intangible							-	-
Payments for financial assets							-	-
Total	99 162	2 166	-	(1 020)		-	1 146	100 308

Rollover – R2.166 million

An amount of R2.166 million is allocated as roll over relating the Office Accommodation of the JW Sauer Building.

Virements and shifts – R1.020 million

An amount of R1.020 million is moved from the programme, of which R0.300 million is from compensation of employee and R0.720 million is moved from goods and services to defray excess expenditure in other programmes. Furthermore, an amount of R0.040 million is shifted from compensation of employee to transfers and subsidies to defray excess expenditure due to the payments of leave gratuities.

In addition to that, an amount of R0.198 million is moved from goods and services to defray excess expenditure under payments for capital assets.

Programme 2: Institutional Development

Table 1.2.2: Programme 2: Institutional Development

2016/17								
Subprogramme	Main appropriation	Additional appropriation						Adjusted appropriation
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
Strategic Human Resources	47 422			950		15 168	16 118	63 540
Information Communication	12 869	1 248		250			1 498	14 367
Legal Services	6 151			70			70	6 221
Communication Services	3 372			170			170	3 542
Programme Support	3 645			(200)			(200)	3 445
							-	-
Total	73 459	1 248	-	1 240		15 168	17 656	91 115
Economic classification								
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	Adjusted appropriation
R thousand								
Current payments	57 704	1 248	-	1 224		15 168	17 640	75 344
Compensation of employees	49 481			900			900	50 381
Goods and services	8 223	1 248		324		15 168	16 740	24 963
Interest and rent on land								-
Transfers and subsidies to:	15 205	-	-	-		-	-	15 205
Provinces and municipalities							-	-
Departmental agencies and							-	-
Universities and technikons							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	15 205						-	15 205
Households							-	-
Payments for capital assets	550	-	-	16		-	16	566
Buildings and other fixed structures							-	-
Machinery and equipment	550			16			16	566
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and sub-soil assets							-	-
Software and other intangible							-	-
Payments for financial assets							-	-
Total	73 459	1 248	-	1 240		15 168	17 656	91 115

Rollover – R1.248 million

An amount of R1.248 million is allocated as roll over relating to the Provincial IT Symantec solution and the Infrastructure Data lines.

Virements and shifts – R1.240 million

An amount of R0.900 million is moved to compensation of employees of which R0.300 million is from programme 1 and R0.600 million is from programme 3 in order to defray excess expenditure on the same item.

Goods and services increases with an amount of R0.340 million which was moved from programme 1. R0.016 million is moved from goods and services to machinery and equipment in this programme relating to the reclassification of finance leases in terms of the Standard Charts of Accounts (SCOA).

Other Adjustment – R15.168 million

An additional amount of R15.168 million is allocated as other adjustment of which R14.800 million relates to the Northern Cape Youth Development Programme and R0.368 million is allocated as Donor Funding from various sources.

Programme 3: Policy and Governance

Table 1.2.3: Programme 3: Policy and Governance

2016/17								
Subprogramme	Main appropriation	Additional appropriation						Adjusted appropriation
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
Special Programmes	15 839			(1 200)			(1 200)	14 639
Intergovernmental Relations	2 402			1 050			1 050	3 452
Provincial Policy Management	15 314			280			280	15 594
Programme Support	3 053			(350)			(350)	2 703
							-	-
Total	36 608	-	-	(220)		-	(220)	36 388
Economic classification	Additional appropriation							
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Current payments	32 162	-	-	(289)		-	(289)	31 873
Compensation of employees	28 606			(660)			(660)	27 946
Goods and services	3 556			371			371	3 927
Interest and rent on land							-	-
Transfers and subsidies to:	4 446	-	-	60		-	60	4 506
Provinces and municipalities							-	-
Departmental agencies and							-	-
Universities and technikons							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises						-	-	-
Non-profit institutions	4 446			60			60	4 446
Households							-	-
Payments for capital assets	-	-	-	9		-	9	9
Buildings and other fixed structures							-	-
Machinery and equipment	-			9			9	9
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and sub-soil assets							-	-
Software and other intangible							-	-
Payments for financial assets	-	-	-	-		-	-	-
Total	36 608	-	-	(220)		-	(220)	36 388

Virements and shifts - R0.220 million

An amount of R0.660 million is moved from compensation of employees of which R0.600 million went to programme 2 and R0.060 million was moved to transfers and subsidies in order to defray excess expenditure on households which is attributable to leave gratuities paid out to employees who resigned.

Goods and services are increased with an amount of R0.380 million from programme 1 in order to defray excess expenditure in this programme, R0.009 is moved from goods and services to machinery and equipment in this programme relating to the reclassification of finance leases in terms of the Standard Charts of Accounts (SCOA).

Virements and Shifts

Table 1.3: Virements and shifts within a department

FROM			TO		
Programme by Economic classification	R thousand	Motivation	Programme by Economic classification	R thousand	Motivation
Programme 1:	(1 258)		Programme 1:	238	
Current payments	(1 258)		Current payments	-	
Goods and services	(918)	Decreased goods and services by R0.918 million and increase goods and services in Programme 2 by R0.340 million and R0.380 million in Programme 3, increase machinery and equipment in programme 1 by an amount of R0.198 to defray excess expenditure.	Goods and services		
Compensation of employees	(340)	Decrease compensation of employees by an amount of R0.340 million and increase compensation of employees in Programme 2 by R0.300 million and increase transfer payment (Households) in programme	Compensation of employees		
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	40	Increase transfer payments by R0.040 million relating to severance packages (leave gratuity) paid out to employees who resigned and retired employees.
Payment for capital assets			Payment for capital assets	198	Increase machinery and equipment by R0.198 million and decrease goods and services in programme 1 by the same amount to defray excess expenditure.
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	-1%		Percentage of programme budget	0%	
Programme 2:	(16)		Programme 2:	1 256	
Current payments	(16)		Current payments	1 240	
Goods and services	(16)	Decreased goods and services by R0.016 million and increase machinery and equipment in Programme 2 by the same amount to defray excess expenditure.	Goods and services	340	Increase goods and services by R0.340 million and decrease goods and services in Programme 1 by the same amount to defray excess expenditure.
Compensation of employees			Compensation of employees	900	Increase compensation of employees by R0.900 million and decrease compensation of employees in Programme 1 by R0.300 million and R0.600 million in Programme 3 respectively to defray excess expenditure.
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	16	Increase machinery and equipment by R0.016 million and decrease goods and services in Programme 2 by the same amount to defray excess expenditure.
Payment for capital assets			Payment for capital assets		
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	0%		Percentage of programme budget	2%	
Programme 3:	(669)		Programme 3:	449	
Current payments	(669)		Current payments	380	
Goods and services	(9)	Decreased goods and services by R0.009 million and increase machinery and equipment in Programme 3 by the same amount to defray excess expenditure.	Goods and services	380	Increase goods and services by R0.380 million and decrease goods and services in Programme 1 by the same amount to defray excess expenditure.
Compensation of employees	(660)	Decrease compensation of employees by an amount of R0.660 million and increase compensation of employees in Programme 2 by R0.600 million and increase transfer payment (Households) in programme 3 by R0.060 million to off-set excess expenditure	Compensation of employees		
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	60	Increase transfer payments by R0.060 million relating to severance packages (leave gratuity) paid out to an employees who resigned.
Payment for capital assets			Payment for capital assets	9	Increase machinery and equipment by R0.009 million and decrease goods and services in programme 3 by the same amount to defray excess expenditure.
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	-2%		Percentage of programme budget	1%	
Total for Vote	(1 943)		Total for Vote	1 943	

Expenditure for 2015/16 and preliminary expenditure for 2016/17

Table 1.4: Expenditure for 2015/16 and preliminary expenditure for 2016/17

Programme	2015/16 Expenditure outcome					2016/17 Preliminary expenditure			
	Adjusted appropriation	Apr 2015 - Sep 2015	Apr 2015 - Sep 2015 - percentage of adjusted appropriation	Apr 2015 - Mar 2016	Apr 2015 - Mar 2016 - percentage of adjusted appropriation	Adjusted appropriation	Apr 2016 - Sep 2016	Apr 2016 - Sep 2016 - percentage of adjusted appropriation	% change in Expenditure 2015/16 - 2016/17 Apr - Sep
R thousand									
Administration	94 157	54 413	58%	93 154	99%	100 308	49 620	49%	-9%
Institutional Development	74 044	27 637	37%	75 721	102%	91 115	37 815	42%	37%
Policy & Governance	43 321	15 999	37%	39 223	91%	36 388	17 029	47%	6%
Total	211 522	98 049	46%	208 098	98%	227 811	104 464	46%	7%
Economic classification									
Current payments	183 742	93 252	51%	180 263	98%	206 204	93 503	45%	0%
Compensation of employees	119 152	56 860	48%	115 630	97%	127 631	64 576	51%	14%
Goods and services	64 590	36 392	56%	64 633	100%	78 573	28 927	37%	-21%
Interest and rent on land									
Transfers and subsidies to:	24 150	2 624	11%	23 826	99%	19 754	10 038	51%	283%
Provinces and municipalities						-			
Departmental agencies and accounts	366	3		3	1%	3	3		
Universities and technikons						-			
Foreign governments and international organisations						-			
Public corporations and private enterprises	5 000	2 500		5 000		-			
Non-profit institutions	18 662		0%	18 662	100%	19 651	9 935	51%	#DIV/0!
Households	122	121	99%	161	132%	100	100	100%	
Payments for capital assets	3 630	2 173	60%	3 976	110%	1 853	923	50%	-58%
Buildings and other fixed structures						-			
Machinery and equipment	3 002	2 173	72%	3 709	124%	1 853	923	50%	-58%
Heritage assets						-			
Specialised military assets						-			
Biological assets						-			
Land and sub-soil assets						-			
Software and other intangible assets	628		0%	267	43%	-			
Payments for capital assets				33					
Total	211 522	98 049	46%	208 098	98%	227 811	104 464	46%	7%

Main expenditure trends for the first half of 2016/17

Expenditure for the first six months of 2016/17 amounted to R104.464 million or 46 per cent of the adjusted appropriation of R227.811 million compared to R98.049 million or 46 per cent for the same period in the previous financial year.

Programme 1: Administration

Expenditure for the first six months of 2016/17 amounted to R49.620 million or 49 per cent of the adjusted appropriation of R100.308 million compared to R54.413 million or 58 per cent for the same period in the previous financial year.

Programme 2: Institutional Development

Expenditure for the first six months of 2016/17 amounted to R37.815 million or 42 per cent of the adjusted appropriation of R91.115 million compared to R27.637 million or 37 per cent for the same period in the previous financial year. The increase in percentage change in expenditure in relation to the 2015/16 is attributed to the transfer payment made to the Bursary Trust Fund.

Programme 3: Policy and Governance

Expenditure for the first six months of 2016/17 amounted to R17.029 million or 47 per cent of the adjusted appropriation of R36.388 million compared to R15.999 million or 37 per cent for the same period in the previous financial year. The increase in percentage change in expenditure in relation to the 2015/16 is attributed to the transfer payment made to the Mme Re ka Thusa Trust.

Economic Classification

Current payments

Slow spending in expenditure compared to the same period last year, is attributed to service providers not providing invoices timeously relating to these payments being made during the course of the financial year.

Transfer payments

The increase in percentage change in expenditure in relation to the 2015/16 is attributed to the transfer payment made to the Premiers Bursary Trust Fund and the Mme Re ka Thusa Trust. The severance package (leave gratuity) was also paid out to retired employees and employees who resigned.

Payments for capital assets

The percentage change in relation to the 2015/16 financial year is as a result of the procurement of the capital assets, as compared to R0.923 million for the 2016/17 financial year.

Departmental receipts

Table 1.5: Departmental Receipts

R thousand	Adjusted appropriation	2015/16				2016/17			
		Receipts Outcome				Preliminary Receipts			
		Apr 2015 - Sep 2015	Apr 2015 - Sep 2015 - percentage of adjusted estimate	Apr 2015 - Mar 2016	Apr 2015 - Mar 2016 - percentage of adjusted estimate	Budget estimate	Adjusted estimate	Apr 2016 - Sep 2016	Apr 2016 - Sep 2016 - percentage of adjusted estimate
Departmental Receipts	162	73	45.06%	2 485	1533.95%	266	266	152	57.14%
Tax receipts									
Sales of goods and services other than capital assets	72	44	61.11%	101	140.28%	76	76	53	69.74%
Transfers received								3	
Fines, penalties and forfeits									
Interest, dividends and rent on land									
Sales of capital assets	90		0.00%	162		190	190		
Financial transactions in assets and liabilities		29	0.00%	2 222	0.00%			96	
Total	162	73	45.06%	2 485	1533.95%	266	266	152	57.14%

Main departmental revenue trends for the first half of 2016/17

The collection of revenue for the first semester of the financial year amounts to R0.152 million which translates to 57.14 per cent of the budget. The revenue collected relates mainly to PERSAL related items such as insurance commissions and garnishees and previous years receipts, e.g. excess leave granted, tax debt and salary overpayments.

There has been no collection under the sales of capital assets, the sale of scrap/obsolete equipment will only be disposed off in the fourth quarter of the financial year. The revenue budget remains unchanged for the 2016/17 financial year.

Changes to transfers and subsidies, and conditional grants

Summary of changes on transfers and subsidies

Table 1.6: Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	
Programme number, name							
Economic sphere							
Current	19 654	-	-	100	-	100	19 754
Provinces and municipalities	-	-	-	-	-	-	-
Departmental agencies and accounts	3	-	-	-	-	-	3
Universities and technikons	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-
Non-profit institutions	19 651	-	-	-	-	-	19 651
Households	-	-	-	100	-	100	100
Total	19 654	-	-	100	-	100	19 754

Changes to transfers and subsidies are as a result of severance package (leave gratuity) paid out to retired employees and employees who resigned.