

VOTE 01

OFFICE OF THE PREMIER

OFFICE OF THE PREMIER

Adjusted budget summary

R thousand	2016/17			
	Main Appropriation	Special Appropriation	Adjusted Appropriation	Increase
Amount to be appropriated	492 243		586 538	94 295
Of which				
Current payments	466 700		536 287	69 587
Transfers and subsidies	17 770		30 510	12 740
Payments for capital assets	7 773		19 741	11 968
Payments for Financial Assets				
Direct Charge against the Provincial Revenue Fund				
Executive authority	Premier of North West Province			
Accounting officer	Director General of the Office of the Premier			

Vote Purpose

To be the most efficient and effective Provincial Administration achieving integrated governance in South Africa. To provide leadership in integrated, co-ordinated and efficient service delivery, which enhances the growth and development of the people of the Province.

Programmes

1. Administration
2. Institutional Development
3. Policy and Governance

Changes to programme purposes, objectives and measures

None

Summary of receipts

SUMMARY OF RECEIPTS

Item Description	Source of Funding			
	Conditional Grant	Equitable Share	Own Revenue	Financing
Main appropriation		491 913	330	
Rollovers				10 000
of which				
MRRRP Projects				10 000
Additional allocations		90 000		10 000
ICT and Communications transformation		88 000		
Compensation of employees - Community Development Workers		2 000		
NWDC - North West Development Corporation				10 000
Less: Budget Reductions		-15 705		
Compensation of employees		-6 990		
Communications - Good and Services		-8 715		
Totals		566 208	330	20 000
				586 538

Mid-year performance status

There are no changes to performance indicators and 2016/17 targets as published in the 2016 EPRE. The following table illustrates performance progress in the first six months of the financial year:

Indicators	Programme	Outcome to which it contributes	Annual performance		
			Projected for 2016/17 as published in the 2016 EPRE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
As published in the 2016 EPRE	Programme linked to the indicators	Outcome the indicators is linked to			
Improved Human Resource Management MPAT level	Administration	Outcome 12	Level 3	0	
Improved Financial Management MPAT level	Administration	Outcome 12	Level 2	0	
Improved Strategic Management MPAT level.	Administration	Outcome 12	Level 3	0	
Number of sustainable Youth Owned Enterprises per local municipality supported.	Institutional development Support	Outcome 12	19	93	
Number of RHR forum established	Institutional development Support	Outcome 12	19	9	
Number of sites across the province migrated to broadband network infrastructure	Institutional development Support	Outcome 12	12	6	
Level of ICT Governance capability/maturity achieved	Institutional development Support	Outcome 12	1	0	
Provincial Communication strategy reviewed	Institutional development Support	Outcome 12	1	0	
Percentage of forensic cases concluded.	Institutional development Support	Outcome 12	100%	100%	
Number of Ikatisong capacity development programmes conducted.	Institutional development Support	Outcome 12	10	5	
Number of 5th Administration policy priorities document updated.	Planning Performance Monitoring,	Outcome 12	1	1	
Number of Municipalities IDPs assessed for alignment against provincial priorities	Planning Performance Monitoring, Evaluation and Intervention	Outcome 12	23	0	
Number of Frontline Service Delivery sites assessed	Planning Performance Monitoring,	Outcome 12	60	26	
Elements of quality basic education provided in sampled VTSD schools monitored.	Planning Performance Monitoring, Evaluation and Intervention	Outcome 12	4	3	
Number of VTSD Plans developed	Planning Performance Monitoring,	Outcome 12	854	854	
Elements of access to primary health care services provided in sampled VTSD health facilities monitored	Planning Performance Monitoring, Evaluation and Intervention	Outcome 12	5	10	

Adjusted Estimates of Provincial Revenue and Expenditure 2016

Departmental summary of 2015 Adjustment Estimates of Provincial Expenditure according to programmes

Programme	2016/17							Adjusted Appropriation	
	Main Appropriation	Special Appropriation	Adjustments appropriation				Total adjustments appropriation		
			Rollovers	Unforeseeable / unavoidable	Virements and Shifts	Function Shifts			Declared unspent funds
R thousand									
ADMINISTRATION	106 216		10 000		2 000		10 000	22 000	128 216
INSTITUTIONAL DEVELOPMENT	213 310					-6 990	79 285	72 295	285 605
POLICY AND GOVERNANCE	172 717				-2 000		2 000		172 717
Subtotal	492 243		10 000		2 000	-6 990	91 285	94 295	586 538
Direct charge against the Provincial Revenue Fund									
Total	492 243		10 000		2 000	-6 990	91 285	94 295	586 538
Economic Classification									
Current payments	466 700				-4 708	-6 990	81 285	69 587	536 287
Compensation of employees	300 797				-4 000	-6 990	2 000	-8 990	291 807
Goods and services	165 903				-708		79 285	78 577	244 480
Interest and rent on land									
Transfers and subsidies	17 770				2 740		10 000	12 740	30 510
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	10 550						10 000	10 000	20 550
Non-profit institutions	885				840			840	1 725
Households	6 335				1 900			1 900	8 235
Payments for capital assets	7 773		10 000		1 968			11 968	19 741
Buildings and Other fixed structures			10 000		2 050			12 050	12 050
Buildings									
Other fixed structures			10 000		2 050			12 050	12 050
Machinery and equipment	7 773				-82			-82	7 691
Transport assets									
Other Machinery and equipment	7 773				-82			-82	7 691
Biological assets									
Software and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets	492 243		10 000		2 000	-6 990	91 285	94 295	586 538
Total	492 243		10 000		2 000	-6 990	91 285	94 295	586 538

Programme summary of estimates according to subprogrammes

Programme 1 : ADMINISTRATION

R thousand	Main Appropriation	Special Appropriation	2016/17					Total adjustments appropriation	Adjusted Appropriation
			Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds		
Premier Support	35 858		10 000		578		10 000	20 578	56 436
Executive Council Support	6 454								6 454
Director-General Support	37 061				3 694			3 694	40 755
Financial Management	26 843				-2 272			-2 272	24 571
Subtotal	106 216		10 000		2 000		10 000	22 000	128 216
Direct charge against the Provincial Revenue Fund									
Statutory payment									
Total	106 216		10 000		2 000		10 000	22 000	128 216
Economic Classification									
Current payments	90 471				-1 947			-1 947	88 524
Compensation of employees	64 702				-2 967			-2 967	61 735
Goods and services	25 769				1 020			1 020	26 789
Interest and rent on land									
Transfers and subsidies	14 934				1 900		10 000	11 900	26 834
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	10 550						10 000	10 000	20 550
Non-profit institutions									
Households	4 384				1 900			1 900	6 284
Payments for capital assets	811		10 000		2 047			12 047	12 858
Buildings and Other fixed structures			10 000		2 050			12 050	12 050
Buildings									
Other fixed structures			10 000		2 050			12 050	12 050
Machinery and equipment	811				-3			-3	808
Transport assets									
Other Machinery and equipment	811				-3			-3	808
Biological assets									
Software and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	106 216		10 000		2 000		10 000	22 000	128 216

Programme summary of estimates according to subprogrammes

Programme 2 : INSTITUTIONAL DEVELOPMENT

R thousand	Main Appropriation	Special Appropriation	2016/17					Total adjustments appropriation	Adjusted Appropriation
			Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds		
Strategic Human Resources	46 342				330		-6 990	-6 660	39 682
Information CommunicationTechnology	106 559						55 285	55 285	161 844
Legal Services	12 903				1 250			1 250	14 153
Communication Services	32 394						24 000	24 000	56 394
Programme Support	15 112				-1 580			-1 580	13 532
Subtotal	213 310						-6 990	79 285	285 605
Direct charge against the Provincial Revenue Fund									
Statutory payment									
Total	213 310						-6 990	79 285	285 605
Economic Classification									
Current payments	207 604				20		-6 990	79 285	279 919
Compensation of employees	93 491				-1 672		-6 990	-8 662	84 829
Goods and services	114 113				1 692		79 285	80 977	195 090
Interest and rent on land									
Transfers and subsidies	1 856								1 856
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 856								1 856
Payments for capital assets	3 850				-20			-20	3 830
Buildings and Other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 850				-20			-20	3 830
Transport assets									
Other Machinery and equipment	3 850				-20			-20	3 830
Biological assets									
Software and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	213 310						-6 990	79 285	285 605

2016/17 Adjusted Estimates of Provincial Revenue and Expenditure

Programme summary of estimates according to subprogrammes

Programme 3 : POLICY AND GOVERNANCE

	Main Appropriation	Special Appropriation	2016/17 Adjustments appropriation					Total adjustments appropriation	Adjusted Appropriation
			Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds		
R thousand									
Special Programmes									
Inter-Governmental Relations	6 328				-113			6 215	
Provincial Policy Management	49 805				2 718			52 523	
Premier's Priority Programmes	12 099				-90			12 009	
Programme Support	104 485				-4 515	2 000	-2 515	101 970	
Subtotal	172 717				-2 000	2 000		172 717	
Direct charge against the Provincial Revenue Fund									
Statutory payment									
Total	172 717				-2 000	2 000		172 717	
Economic Classification									
Current payments	168 625				-2 781	2 000	-781	167 844	
Compensation of employees	142 604				639	2 000	2 639	145 243	
Goods and services	26 021				-3 420		-3 420	22 601	
Interest and rent on land									
Transfers and subsidies	980				840		840	1 820	
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	885				840		840	1 725	
Households	95							95	
Payments for capital assets	3 112				-59		-59	3 053	
Buildings and Other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 112				-59		-59	3 053	
Transport assets									
Other Machinery and equipment	3 112				-59		-59	3 053	
Biological assets									
Software and Other intangible assets									
Land and subsol assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	172 717				-2 000	2 000		172 717	

Special appropriation

None

Earmarked Funds

An amount of R88 million has been allocated as earmarked funds for ICT and Communication transformation.

Roll-overs

Programme 1: Administration

The application for roll over of R10 million has been approved for Mahikeng Rebranding, Repositioning, and Renewal Programme.

Unforeseeable and unavoidable expenditure

None

Summary of Virements and Shifts

Virements and shifts Table					
Programmes					
Virements					
From			To		
Programme by Economic Classification	Motivation	R thousand	Programme by Economic Classification	Motivation	R thousand
Programme : Administration		(5 120)	Programme : Administration		5 120
Goods and Services	To provide for payment for MRRRP Projects	(2 050)	Buildings & other Fixed Structures	To provide for payment for MRRRP Projects	2 050
Transfers and Subsidies	Correction of allocation for Training	(100)	Goods and Services	Correction of allocation for Training	100
Compensation of employee	Correction of allocation for Learnerships	(2 967)	Goods and Services	Correction of allocation for Learnerships	2 967
Machinery and equipment	To provide for purchase of minor assets	(3)	Goods and Services	To provide for purchase of minor assets	3
Shift within the programme as a percentage of the programme budget		5%			5%
Virements of the programme as a percentage of the programme budget		0			0
Programme : Institutional Development		(2 348)	Programme : Institutional Development		2 348
Goods and Services	To provide for shortfall on Compensation of employees	(2 328)	Compensation of employee	To provide for shortfall on Compensation of employees	2 328
Machinery and equipment	To provide for purchase of minor assets	(20)	Goods and Services	To provide for purchase of minor assets	20
Shift within the programme as a percentage of the programme budget		1%			1%
Virements of the programme as a percentage of the programme budget		-			-
Programme : Policy and Governance		(1 538)	Programme : Policy and Governance		1 538
Goods and Services	To provide for shortfall on Compensation of employees	(639)	Compensation of employee	To provide for shortfall on Compensation of employees	639
Goods and Services	To provide for shortfall on Compensation of employees	(840)	Transfers and subsidies	Roll-over of A re Ageng transfer for 2015/16 not approved	840
Machinery and equipment	To provide for purchase of minor assets	(59)	Goods and Services	To provide for purchase of minor assets	59
Shift within the programme as a percentage of the programme budget		1%			1%
Virements of the programme as a percentage of the programme budget		0			0
Programme : Policy and Governance		(2 000)	Programme : Administration		2 000
Goods and Services	To provide for a shortfall to settle an employee contract	(2 000)	Transfers and subsidies	To provide for a shortfall to settle an employee contract	2 000
Shift within the programme as a percentage of the programme budget		1%			1%
Virements of the programme as a percentage of the programme budget		0			0
Total		(11 006)			11 006

Declared unspent funds

Programme 2: Institutional Development

R6.990 million of unspent funds have been declared on compensation of employees as a result of the implementation of the flexible moratorium in the province.

Other adjustments

R8.715 million is reprioritised for the implementation of Provincial ICT and Communication transformation programme.

Funds shifted between votes following transfer of a function

None

Funds shifted within a vote following a fund shift

Programme 1: Administration

- Transfers and subsidies: Correction of training budget – R100 thousand.
- Compensation of Employees: Correction of learnership – R2.967 million.
- Machinery and equipment: Purchasing of minor assets – R3 thousand.

Programme 2: Institutional Development

- Machinery and equipment: Purchasing of minor assets – R20 thousand.

Programme 3: Policy and Governance

- Machinery and equipment: Purchasing of minor assets – R59 thousand.

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

None

Adjustments due to significant and unforeseeable economic and financial events

None

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

None

Self-financing expenditure

None

Gifts, donations and sponsorships

None

Direct charges against the Provincial Revenue Fund

None

Additional allocations

Programme 1: Administration

An amount of R20 million has been allocated of which R10 million is for Mahikeng Rebranding, Repositioning and Renewal Programme and R10 million for a transfer to North West Development Corporation.

Programme 2: Institutional Development

An amount of R88 million is allocated for implementation of Information and Communication Technology, as well as Communication transformation programmes.

Programme 3: Policy and Governance

An amount of R2 million allocated for the correction of salaries notches for Community Development Workers.

Amounts surrendered

None

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

Programme	2015/16					2016/17			
	Adjusted appropriation	Actual Expenditure		Preliminary expenditure		Adjusted appropriation	Adjusted appropriation/total (%)	Apr 16-Sep 16	
		Apr 15-Sep 15	Apr 15-Sep 15	Apr 15-Mar 16	Apr 15-Mar 16			Apr 16-Sep 16	% of Adjusted appropriation
R thousand									
ADMINISTRATION	259 378	156 752	60.4%	252 367	97.3%	128 216	21.9%	45 633	35.6%
INSTITUTIONAL DEVELOPMENT	230 389	97 977	42.5%	205 969	89.4%	285 605	48.7%	114 914	40.2%
POLICY AND GOVERNANCE	306 137	168 436	55.0%	327 647	107.0%	172 717	29.4%	72 417	41.9%
Subtotal	795 904	423 165	53.2%	785 983	98.8%	586 538	100.0%	232 964	39.7%
Direct charge against the Provincial Revenue Fund									
Subtotal									
Total	795 904	423 165	53.2%	785 983	98.8%	586 538	100.0%	232 964	39.7%
Economic classification									
Current payments	443 891	219 663	49.5%	507 656	114.4%	536 287	91.4%	230 403	43.0%
Compensation of employees	261 037	126 450	48.4%	261 947	100.3%	295 807	50.4%	141 396	47.8%
Goods and services	182 854	93 213	51.0%	242 025	132.4%	240 480	41.0%	89 005	37.0%
Interest and rent on land				3 684				2	
Transfers and subsidies	203 507	112 963	79.6%	221 512	108.8%	30 510	5.2%	2 026	6.6%
Provinces and municipalities									
Departmental agencies and accounts	194 240	111 075	57.2%	206 241	106.2%				
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises				10 000		20 550	3.5%		
Nonprofit institutions	840					1 725	0.3%		
Households	8 427	1 888	22.4%	5 271	62.5%	8 235	1.4%	2 026	24.6%
Payments for capital assets	148 506	90 539	61.0%	56 815	38.3%	19 741	3.4%	535	2.7%
Buildings and Other fixed structures	142 000	88 355	62.2%	43 078	30.3%	12 050	2.1%	155	1.3%
Machinery and equipment	6 506	2 184	33.6%	13 737	211.1%	7 691	1.3%	380	4.9%
Biological assets									
Software and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	795 904	423 165	53.2%	785 983	98.8%	586 538	100.0%	232 964	39.7%

Main Expenditure trends for the first half of 2016/17

Programme 1: Administration

Expenditure as at 30 September 2016 is at 35.6 per cent against the adjusted appropriation of R128.2 million. The under spending is attributable to the effects of the adjustments.

Programme 2: Institutional Development

Expenditure as at 30 September 2016 is at 40.2 per cent against the adjusted appropriation of R285.6 million. The under spending is attributable to the effects of the adjustments.

Programme 3: Policy and Governance

Expenditure as at 30 September 2016 is at 41.9 per cent against the adjusted appropriation of R172.7 million. The under spending is attributable to the effects of the adjustments.

Economic Classification

Current Payments

Expenditure as at 30 September 2016 is at 43.0 per cent against the adjusted appropriation of R538.3 million. Performance of the Office on Compensation of Employees is reasonably within the target at 48.5 per cent. The under spending on goods and services is attributable to the effects of the adjustments.

Transfers and subsidies

Expenditure as at 30 September 2016 is at 6.6 per cent against the adjusted appropriation of R30.5 million. The under spending is attributable to transfer not yet made to Youth Enterprise Services, under spending on Premier's discretionary fund and effects of the adjustments.

Payment for Capital Assets

Expenditure as at 30 September 2016 is at 2.7 per cent against the adjusted appropriation of R19.7 million. The under spending is attributable to the effects of the adjustments.

Departmental receipts

Departmental Receipts

	Adjusted appropriation	Audited outcome				Actual				
		Apr 15-Sep 15		Apr 15-Mar 16		Budget estimate	Adjusted estimate	Adjusted appropriation total (%)	Apr 16-Sep 16	
		Apr 15 Sep 15	% of Adjusted appropriation	Apr 15 Mar 16	% of Adjusted appropriati				Apr 16 Sep 16	% of Adjuste appropri
R thousand										
Departmental receipts	320	544	170.0%	999	312.2%	330	330	100.0%	197	59.7%
Tax receipts										
Sales of goods and services Other than capital	245	201	82.0%	240	98.0%	190	190	57.6%	162	85.3%
Transfers received										
Fines, penalties and forfeits										
Interests, dividends and rend on land										
Sales and capital assets and liabilities				10						
Financial transactions in assets and liabilities	75	343	457.3%	749	998.7%	140	140	42.4%	35	25.0%
Extraordinary receipts										
Subtotal	320	544	170.0%	999	312.2%	330	330	100.0%	197	59.7%

Revenue trends for the first half of 2016/17

Revenue collected under the item sale of goods and services is mainly from sale of tender documents, replacement of lost security cards and commission earned on garnishee orders.

Changes to transfers and subsidies, and conditional grants

Summary of changes to transfer and subsidies per programme

R thousand	2016/17							Adjusted Appropriation		
	Main Appropriation	Special Appropriation	Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds		Other adjustments	Total adjustments appropriation
ADMINISTRATION	4 384				1 900				1 900	6 284
H/t Employee Social Benefits	1 444				1 430				1 430	2 874
H/t Other transfers	2 940				470				470	3 410
INSTITUTIONAL DEVELOPMENT	1 856									1 856
H/t Employee Social Benefits	937				500				500	1 437
H/t Other transfers	919				-500				-500	419
POLICY AND GOVERNANCE	95									95
H/t Employee Social Benefits	95									95
H/t Other transfers										
Total transfers subsidies	6 335				1 900				1 900	8 235

Summary of changes to Conditional Grants

None

Summary of changes to infrastructure Allocation: B5

None