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Provincial Summary

INTRODUCTION

The 2010/11 Adjustment Budget of the Free State Provincial Government has been tabled in the Provincial Legislature in terms of section 31 (2) of the Public Finance Management Act of 1999, to provide for the following:

- The rollover of unspent funds from the preceding financial year;
- The appropriation of funds that have become available to the province;
- Unforeseeable and unavoidable expenditure;
- Expenditure used in emergency situations;
- The shifting of funds between and within votes or to follow the transfer of functions;
- The utilization of savings under a main division within a vote for the defrayment of excess expenditure under another main division within the same vote; and
- Money to be appropriated for expenditure already announced by the MEC for Finance during the tabling of the annual budget.

SUMMARY OF THE ADJUSTMENTS FOR 2010/11

The 2010/11 MTEF Adjustment Budget is tabled at the time when both the global economic environment and the domestic economic outlook are showing signs of improvement, albeit slowly. The projected sluggish improvement in the recovery of global and domestic economy is also accompanied by uncertainty; hence the need to employ prudence, efficiency and cost-effectiveness in the utilization of public limited resources. It is therefore the view of the Provincial Treasury that the limited resources at our disposal must be directed towards implementation of key government priorities that seek to improve the lives of the people in the province.

The total amount of **R656.541 million** is made available to the provincial fiscus for the purposes of the 2010/11 Adjustment Budget. This adjusted budget also includes an amount of R30.069 million which is an upwards revised Provincial Own Revenue. Also included in this adjustment budget are two amounts totaling R10.381 million and R72.599 million which relate to approved roll-overs and additional Conditional Grants from National Treasury, respectively. Furthermore, an amount of R257.902 million is included as an additional Equitable Share provided to the province by National Treasury. Included again to the total amount of R656.541 million is an amount of R285.590 million which emanates from Provincial Own Reserves. Thus, in essence the province has R654.541 million to cater for adjustment needs from various departments within the province.

Roll-overs

A total amount of **R74.138 million** has been rolled over from the previous financial year (2009/10) to the current financial year. This includes amounts of R10.381 million and R63.757 million which relate to National Conditional Grants and Equitable Share, respectively. The roll-overs are approved for various departments and the details are presented here below:

- The Department of Health received roll-overs totaling R3.004 million which relates to HIV and AIDS campaign (R1.200 million) and 2010 World Cup conditional grant (R1.804 million);

- The Department of Education received roll-overs of R45.265 million; of which R37.814 relates to Equitable Share to fund LTSM (R15.724 million), provincial bursaries (R21.573 million); infrastructure (R0.517 million) and the remainder is for conditional grants (R7.451 million).
- The Department of Social Development received a roll-over of R4.147 million which is basically for equitable share. The money is earmarked for transfer to non-governmental organizations;
- The Department of Public Works and Rural Development is granted a roll-over amounting to R10.839 which is mainly earmarked for infrastructure;
- An amount of R5.131 million is rolled over to the Department of Economic Development, Tourism and Environmental Affairs for completion Philip Sanders Resort;
- The Department of Sport, Arts, Culture and Recreation received a roll-over of R4.785 million which is divided into Equitable Share of R4.626 million for infrastructure and Conditional Grant amounting to R0.159 million; and
- Lastly, an amount of R0.967 million which directly relates to Conditional Grants is rolled over for the Department of Agriculture.

Additional funding – Equitable Share

The total amount of **R257.902 million** was allocated as equitable share additional funding to the following departments:

- **Department of the Premier**
An amount of R1.700 million has been allocated to the Department of the Premier to cater for the higher than anticipated General Salary Adjustments and housing allowance for employees.
- **Free State Legislature**
No additional funding is allocated for Improvements in Condition of Service (ICS); the Free State Legislature will reprioritize from within the allocated baseline to cater for salary adjustments.
- **Department of Economic Development, Tourism and Environmental Affairs**
No additional funding is allocated for ICS; the department will reprioritize from within the allocated baseline to cater for salary adjustments.
- **Free State Provincial Treasury**
No additional funding is allocated for ICS; Treasury will reprioritize from within the allocated baseline to cater for salary adjustments.
- **Department of Health**
The total additional Equitable Share allocation to the Department of Health amounts to R91.599 million which is divided into two parts: the first part which amounts to R70.949 million is earmarked to cater for salary adjustments (ICS) and the second part which totals to R20.650 million caters for Occupational Specific Dispensation.

- **Department of Education**

The total additional Equitable Share allocation to the Department of Education amounts to R156.180 million; and this amount is earmarked for general salary adjustments for employees.

- **Department of Social Development**

The additional Equitable Share allocation to the Department of Social Development totals R2.000 million and this amount is directed to cater for salary adjustments for department's employees.

- **Department of Cooperative Governance and Traditional Affairs**

The Department of Cooperative Governance and Traditional Affairs receives an additional Equitable Share allocation of R3.073 million to address salary increases for the department's employees.

- **Department of Public Works and Rural Development**

No additional funding is allocated for ICS; the department will reprioritize from within the allocated baseline to cater for salary adjustments.

- **Department of Police, Roads and Transport**

No additional funding is allocated for ICS; the department will reprioritize from within the allocated baseline to cater for salary adjustments.

- **Department of Agriculture**

An amount of R2.500 million which emanates from the additional Equitable Share is allocated to the Department of Agriculture to accommodate salary adjustments for department's employees.

- **Department of Sport, Arts, Culture and Recreation**

No additional funding is allocated for ICS; the department will reprioritize from within the allocated baseline to cater for salary adjustments.

- **Department of Human Settlements**

Lastly, with regard to allocation of additional Equitable Share, an amount of R0.850 million is allocated to the department to accommodate general salary improvements.

Additional Funding - Own Revenue

An additional adjusted amount of R30.069 million is also provided to cater for other provincial priorities as per departments' requests. This adjusted amount is therefore allocated to the Department of Health to address part of departmental overdraft which amounts to R235.000 million.

Additional Funding – Provincial Revenue Fund Reserves

The total amount of **R285.590 million** which comes from provincial reserves is also allocated to various departments in the province. It should also be noted that the amount totaling R63.757 million, which relates to provincial roll-overs already mentioned above, is deductible from the above amount; therefore the remaining amount of R221.833 is allocated accordingly to the following departments:

- The Department of the Premier received an amount of R7.039 million to fund Premier Intervention Unit as well as addressing the unfunded transfers to the Premier's department. Furthermore, the allocated amount will cater for staff that was funded by Flemish Donor Fund.
- The Department of Health received an additional amount of R42.931 million to cater for 2007/08 and 2008/09 PDMS, asset management project as well as payment for departmental overdraft.
- The Department of Education received an additional funding amounting to R10.000 million to cater for provincial bursaries.
- The Department of Social Development is allocated an amount of R10.000 to address goods and services pressures.
- The Department of Cooperative Governance and Traditional Affairs is allocated an additional funding of R40.033 million to assist municipalities with regard to finances, clean audit project and transversal projects.
- The Department of Police, Roads and Transport received an additional amount of R50.000 million to address Harrismith Logistic Hub as well as maintenance of road infrastructure in the province.
- The Department of Public Works is allocated an amount R8.000 million to accommodate and fund Hlasela projects in the province.
- The Department of Agriculture receives an amount of R5.000 million to properly cater for disaster management in the province.
- Lastly, the Department of Human Settlements is allocated an amount totaling R48.830 million as a top-up for construction of houses and to also provide for audit fees.

National Conditional Grants

An additional Conditional Grant allocation of R72.599 million is allocated to the province to cater for HIV and AIDS as well as property rates in the province. An amount of R4.000 million which is already included in the amount above is allocated as additional funds to Comprehensive HIV and AIDS Grant. Another amount also included in the R72.599 million which totals R68.228 million is allocated for Devolution of Property Rates Grant.

1. REVENUE SUMMARY

Table 1: Revenue Summary

R'000	Main Appropriation	Additional appropriation			Total adjustments appropriation	Adjusted Appropriation
	Roll-overs	Unforeseeable/U navoidable	Virement	Other adjustments		
National Payments						
Equitable Share	15 959 310	63 757		257 902	321 659	16 280 969
Conditional Grants (Specify)	4 788 061	10 381		72 599	82 980	4 871 041
Agriculture: Vote 11	106 132	967			967	107 099
Comprehensive Agricultural Support Programme	75 772					75 772
Land Care Programme Grant: Poverty Relief	4 360					4 360
Agricultural Disaster Management Grant						
Ililima/ Letsema Projects Grants	26 000	967			967	26 967
Education: Vote 6	470 240	7 451		371	7 822	478 062
Further Education and Training Recapitalisation Grant	256 703			371	371	257 074
HIV/Aids (Life Skills Education) Grant	10 866	175			175	11 041
National School Nutrition Programme Grant	195 194	7 276			7 276	202 470
Technical Secondary Schools Recapitalization Grant	7 477					7 477
Health: Vote 5	1 626 096	1 804		4 000	5 804	1 630 096
National Tertiary Services	659 469			4 000	4 000	663 469
Comprehensive HIV and Aids Grant	433 583					433 583
Hospital Revitalisation	378 426					378 426
Health Professions Training and Development	117 400					117 400
Infrastructure Grant to Provinces						
Forensic Pathology Services	37 218					37 218
2010 World Cup Preparation Strategy		1 804			1 804	
Human Settlements: Vote 13	1 300 691					1 300 691
Integrated Housing & Human Settlement Development Grant	1 300 691					1 300 691
National Treasury	869 338					869 338
Infrastructure Grant to Provinces	869 338					869 338
Public Works	154 158			68 228	68 228	222 386
Devolution of Property Rate Fund Grant to Provinces	154 158			68 228	68 228	222 386
Sport, Arts and Culture: Vote 12	73 383	159			159	73 542
Mass Sport and Recreation Participation Programme	28 186	105			105	28 291
Community Library Services	45 197	54			54	45 251
Transport	169 264					169 264
Public Transport Operations Grant	169 264					169 264
Other National Payments						
Expanded Public Works Programme Incentive Grant- Infrastructure Sector	13 767					13 767
Expanded Public Works Programme Grant for Social Sector	4 992					4 992
Provincial Sourced Revenue	647 411			30 069	30 069	677 480
Own Revenue Collections	647 411			30 069	30 069	677 480
Provincial reserves				221 833	221 833	221 833
Total Revenue	21 394 781	74 138		582 403	656 541	22 051 322
Amount to be voted						656 541

2. EXPENDITURE SUMMARY BY FUNCTION

Table 2: Expenditure summary by function

R'000	Main Appropriation	Additional appropriation				Total adjustments appropriation	Adjusted Appropriation
		Roll-overs	Unforeseeable/U navoidable	Viremnt	Other adjustments		
General Public Services	1 767 462	10 839			182 593	193 432	1 960 894
Public Order and Safety	249 604			4 000		4 000	253 604
Education	8 539 463	45 265		(19 653)	166 551	192 163	8 731 626
Health	6 151 710	3 004			152 599	155 603	6 307 313
Social Protection	721 690	4 147			(11 000)	(6 853)	714 837
Housing & Community Affairs	1 364 913				46 369	46 369	1 411 282
Recreational & Cultural Affairs	373 423	4 785			9 232	14 017	387 440
Environmental Protection	135 728	5 131		4 750	(4 131)	5 750	141 478
Other Economic Services	2 077 021	967	7 500	(8 750)	52 343	52 060	2 129 081
Total Expenditure	21 381 014	74 138	7 500	(19 653)	594 556	656 541	22 037 555
Amount to be voted							656 541

3. PROVINCIAL EXPENDITURE SUMMARY

Table 3: Provincial expenditure per vote

R'000	Main Appropriation	Additional appropriation				Total adjustments appropriation	Adjusted Appropriation
		Roll-overs	Unforeseeable/U navoidable	Virement	Other adjustments		
1. Department of the Premier	167 942				26 217	26 217	194 159
2. Free State Legislature	153 638						153 638
3. Economic Development, Tourism and Environmental Affairs	370 762	5 131			(5 888)	(757)	370 005
4. Free State Treasury	177 509				(4 611)	(4 611)	172 898
5. Health	6 151 710	3 004			152 599	155 603	6 307 313
6. Education	8 539 463	45 265		(19 653)	166 551	192 163	8 731 626
7. Social Development	721 690	4 147			(11 000)	(6 853)	714 837
8. Cooperative Governance and Traditional Affairs	320 048				57 106	57 106	377 154
9. Public Works and Rural Development	948 325	10 839			103 881	114 720	1 063 045
10. Police, Roads and Transport	1 682 742				60 100	60 100	1 742 842
11. Agriculture	408 849	967	7 500		(6 000)	2 467	411 316
12. Sport, Arts, Culture, Science & Technology	373 423	4 785			9 232	14 017	387 440
13. Human Settlements	1 364 913				46 369	46 369	1 411 282
Total: Provincial departments	21 381 014	74 138	7 500	(19 653)	594 556	656 541	22 037 555
Amount to be voted							656 541

4. EXPENSE BY ECONOMIC CLASSIFICATION

Table 4.(a): Summary of provincial payments and estimates by economic classification

Economic classification R'000	Main appropriation	Additional appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments		
Current payments	15 990 595	24 534	2 500	(58 576)	444 797	413 255	16 403 850
Compensation of employees	12 253 768		2 500	53 301	269 579	325 380	12 579 148
Goods and services	3 735 043	24 534		(112 762)	175 146	86 918	3 821 961
Interest and rent on land	1 784			885	72	957	2 741
Transfers and subsidies to:	3 379 994	27 204	5 000	85 227	143 435	260 866	3 640 860
Provinces and municipalities	393 873			(99 327)	116 396	17 069	410 942
Departmental agencies and accounts	79 976			3 600	16 000	19 600	99 576
Universities and technikons	1 200			1 000	(1 000)		1 200
Public corporations and private enterprises	207 671			3 650	2 000	5 650	213 321
Foreign governments and international organisations							
Non-profit institutions	1 164 366	4 664		172 219	930	177 813	1 342 179
Households	1 532 908	22 540	5 000	4 085	9 109	40 734	1 573 642
Payments for capital assets	2 010 425	22 400		(47 243)	6 324	(18 519)	1 991 906
Buildings and other fixed structures	1 681 246	20 596		(51 930)	13 824	(17 510)	1 663 736
Machinery and equipment	320 734	1 804		5 115	(7 500)	(581)	320 153
Cultivated assets	7 000						7 000
Software and other intangible assets	486			268		268	754
Land and subsoil assets	959			(730)		(730)	229
Heritage assets				34		34	34
Specialised military assets							
Payments for financial assets				939		939	939
Total	21 381 014	74 138	7 500	(19 653)	594 556	656 541	22 037 555
Amount to be voted							656 541

4. SUMMARY OF ECONOMIC CLASSIFICATION

Table 4(b): Provincial Budget Summary

R'000	Main Appropriation	Additional appropriation				Total adjustments appropriation	Adjusted Appropriation
		Roll-overs	Unforeseeable/U navoidable	Virement	Other adjustments		
Current Outlays	15 990 595	24 534	2 500	(58 576)	444 797	413 255	16 403 850
Capital Outlays	2 010 425	22 400		(47 243)	6 324	(18 519)	1 991 906
Transfer Payments	3 379 994	27 204	5 000	85 227	143 435	260 866	3 640 860
Payments for financial assets				939		939	939
Total Expenditure	21 381 014	74 138	7 500	(19 653)	594 556	656 541	22 037 555
Total Revenue	21 394 781	74 138			582 403	656 541	22 051 322
Net Lending							
Surplus (Deficit)	13 767		(7 500)	19 653	(12 153)		13 767
Amount to be voted							656 541

5. PROVINCIAL OWN REVENUE SUMMARY

Table 5(a): Provincial Own Revenue per vote

R'000	Main Appropriation	Additional appropriation			Total adjustments appropriation	Adjusted Appropriation	
		Roll-overs	Unforeseeable/Un avoidable	Virement			Other adjustments
1. Department of the Premier	2 845				340	340	3 185
3. Economic Development, Tourism and Environmental Affairs	61 733				(3 574)	(3 574)	58 159
4. Free State Treasury	85 982				10 305	10 305	96 287
5. Health	88 355				13 000	13 000	101 355
6. Education	15 072				129	129	15 201
7. Social Development	1 016				27	27	1 043
8. Cooperative Governance and Traditional Affairs	2 759				(771)	(771)	1 988
9. Public Works and Rural Development	8 604				966	966	9 570
10. Police, Roads and Transport	366 453				16 496	16 496	382 949
11. Agriculture	2 708				269	269	2 977
12. Sport, Arts and Culture	11 136				(6 971)	(6 971)	4 165
13. Human Settlements	748				(147)	(147)	601
Total: Provincial departments	647 411				30 069	30 069	677 480

Table 5 (b): Provincial Own Revenue per economic classification

R'000	Main Appropriation	Additional appropriation			Adjusted Appropriation	
		Roll-overs	Virement Unforeseeable/Un avoidable	Other adjustments		Total adjustments appropriation
Tax receipts	330 715			(4 279)	(4 279)	326 436
Sales of goods and services other than capital receipts	193 889			(13 686)	(13 686)	180 203
Transfers received						
Fines, penalties and forfeits	22 418			13 351	13 351	35 769
Interest, dividends and rent on land	88 191			9 898	9 898	98 089
Sales of capital assets	2 014			14 045	14 045	16 059
Financial transactions in assets and liabilities	10 184			10 740	10 740	20 924
Total	647 411			30 069	30 069	677 480

Department of the Premier

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	167 942	194 159		26 217
<i>of which:</i>				
Current payments	165 592	190 043		24 451
Transfers and subsidies	350	870		520
Payments for capital assets	2 000	3 246		1 246
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	167 942	194 159		26 217
Executive Authority	Premier of the Free State			
Accounting Officer	Director General : Department of the Premier			
Website address	www.fs.gov.za			

Aim

To enable the Premier to fulfil his constitutional obligations and other functions through the effective and efficient utilisation of resources of the Free State Provincial Government.

Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives being proposed during the 2010/2011 financial year.

Adjusted Estimates of Provincial Expenditure 2010

Table 1.1 (a): Adjusted Estimates per programme

Programmes	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Other adjustments		
R thousand							
1. Administration	45 621				7 716	7 716	53 337
2. Institutional Development	62 227				17 589	17 589	79 816
3. Policy and Governance	60 094				912	912	61 006
Subtotal	167 942				26 217	26 217	194 159
Direct charge against the Provincial Revenue Fund							
Total	167 942				26 217	26 217	194 159

Table 1.1 (b): Adjusted Estimates per economic classification

Economic Classification	2010/11						
	Main appropriation	Adjustments			Appropriation		
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Economic classification							
Current payments	165 592			(1 766)	26 217	24 451	190 043
Compensation of employees	110 127				6 510	6 510	116 637
Goods and Services	55 465			(1 766)	19 707	17 941	73 406
Interest and rent on land							
Transfers and subsidies to;	350			520		520	870
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises				300		300	300
Foreign governments and international organisations							
Non-profit institutions				162		162	162
Households	350			58		58	408
Payments for capital assets	2 000			1 246		1 246	3 246
Buildings and other fixed structures							
Machinery and equipment	2 000			708		708	2 708
Cultivated assets							
Software and other intangible assets				538		538	538
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	167 942				26 217	26 217	194 159

Table 1.1.1: Adjusted estimates - Administration

Sub programme	2010/11						
	Rthousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
Roll-overs			Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Premier Support	17 501			83	4 000	4 083	21 584
2. Executive Council Support	2 250			(300)	680	380	2 630
3. Director General	10 160			446	2 936	3 382	13 542
4. Financial Management	15 710			(229)	100	-129	15 581
Subtotal	45 621				7 716	7 716	53 337
Direct charge against the Provincial Revenue Fund							
Total	45 621				7 716	7 716	53 337
Economic classification							
Current payments	45 071			(611)	7 716	7 105	52 176
Compensation of employees	32 882				4 716	4 716	37 598
Goods and Services	12 189			(611)	3 000	2 389	14 578
Interest and rent on land							
Transfers and subsidies to;	150			86		86	236
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions				72		72	72
Households	150			14		14	164
Payments for capital assets	400			525		525	925
Buildings and other fixed structures							
Machinery and equipment	400			525		525	925
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	45 621				7 716	7 716	53 337

Table 1.1.2: Adjusted estimates - Institutional Development

Sub programme	2010/11						
	R'thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
Roll-overs			Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Strategic Human Resources	23 580			727	1 370	2 097	25 677
2. Information Communication Technology	10 740			(3 234)	114	-3 120	7 620
3. Legal Services	3 410			171	5 166	5 337	8 747
4. Communication Services	24 497			2 336	10 939	13 275	37 772
Subtotal	62 227				17 589	17 589	79 816
Direct charge against the Provincial Revenue Fund							
Total	62 227				17 589	17 589	79 816
Economic classification							
Current payments	60 927			(644)	17 589	16 945	77 872
Compensation of employees	36 735				2 650	2 650	39 385
Goods and Services	24 192			(644)	14 939	14 295	38 487
Interest and rent on land							
Transfers and subsidies to;	100						100
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	100						100
Payments for capital assets	1 200			644		644	1 844
Buildings and other fixed structures							
Machinery and equipment	1 200			106		106	1 306
Cultivated assets							
Software and other intangible assets				538		538	538
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	62 227				17 589	17 589	79 816

Table 1.1.3: Adjusted estimates - Policy Governance

R'thousand	2010/11						
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Special Programmes	20 814			(1 189)	(856)	(2 045)	18 769
2. Intergovernmental Relations	5 090			(51)		(51)	5 039
3. Provincial Policy Management	34 190			1 240	1 768	3 008	37 198
Subtotal	60 094				912	912	61 006
Direct charge against the Provincial Revenue Fund							
Total	60 094				912	912	61 006
Economic classification							
Current payments	59 594			(511)	912	401	59 995
Compensation of employees	40 510				(856)	(856)	39 654
Goods and Services	19 084			(511)	1 768	1 257	20 341
Interest and rent on land							
Transfers and subsidies to;	100			434		434	534
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises				300		300	300
Foreign governments and international organisations							
Non-profit institutions				90		90	90
Households	100			44		44	144
Payments for capital assets	400			77		77	477
Buildings and other fixed structures							
Machinery and equipment	400			77		77	477
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	60 094				912	912	61 006

Virements and shifts

Table 1.2 Details on virements and shifts within a department

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1		(611)	Programme 1		611
Goods and services	To fund the shortfall on the higher than anticipated spending on household and office equipment and furniture.	(611)	Machinery and equipment	For a shortfall on the higher than anticipated spending on office equipment and furniture	525
				For the shortfall on the higher than anticipated spending on household	86
Percentage of programme budget		1.33%			
Programme 2		(644)	Programme 2		644
Goods and services	To fund the shortfall on the higher than anticipated spending on office equipment and furniture.	(644)	Machinery and equipment	For a shortfall on the higher than anticipated spending on office equipment and furniture	644
Percentage of programme budget		1.00%			
Programme 3		(511)	Programme 3		511
Goods and services	To fund the shortfall on the higher than anticipated spending on Transfers and office equipment and furniture.	(511)	Machinery and equipment	For a shortfall on the higher than anticipated spending on office equipment and furniture	77
				For the shortfall on the higher than anticipated spending on Transfers	434
Percentage of programme budget		1.00%			
Total		(1,766)	1,766		

Other adjustments – R26.217 million

Programme 1: Administration

Additional funding of R7.716 million has been allocated. The amount of R4.716 million will cover costs related to compensation of employees, whereby – Improvement in Conditions of Service (ICS) equals R0.816 million, R3.900 million is for unfunded transfers, appointments and absorption of contract employees. The R3.000 million is for Premier Special projects.

Programme 2: Institutional Development

Additional funding of R17.589 million has been allocated. An amount of R2.650 million, related to compensation of employees, unfunded transfers and appointments. Communication is allocated a net amount of R10.939 million and Legal services – R4.000 million for goods and services.

Programme 3: Policy & Governance

Programme 3, receives an additional amount of R0.912 million after taking into account reduction of R0.856 million towards service delivery and an additional amount of R1.768 million from the Department of Sport, Arts Culture and Recreation for services rendered .i.e. review of staff establishment.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 1.3: Expenditure trends

	2009/10 Expenditure outcome					2010/11 Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
R thousand								
1. Administration	66,136	26,048	39.39%	63,531	96%	53,337	23,435	44%
2. Institutional Development	47,850	25,273	52.82%	48,127	100.58%	79,816	27,203	34%
3. Policy and Governance	47,832	23,854	49.87%	45,723	95.59%	61,006	26,051	43%
Subtotal	161,818	75,175	46.46%	157,381	97.26%	194,159	76,689	39.50%
Direct charge against the Provincial Revenue Fund								
Total	161,818	75,175	46.46%	157,381	97.26%	194,159	76,689	39.50%
Economic classification								
Current payments	149,231	65,667	44.00%	145,201	97.30%	190,043	75,025	39.48%
Compensation of employees	90,353	39,203	43.39%	88,440	97.88%	116,637	49,305	42.27%
Goods and services	58,878	26,464	44.95%	56,761	96.40%	73,406	25,720	35.04%
Interest and rent on land								
Transfers and subsidies	9,604	9,210	95.90%	9,601	99.97%	870	433	49.77%
Provinces and municipalities								
Departmental agencies and accounts	7,161	7,161	100.00%	7,161	100.00%			
Universities and technikons								
Public corporations & private enterprises						300		
Non-profit institutions						162	162	
Households	2,443	2,049	84%	2,440	99.88%	408	271	66.42%
Payments for capital assets	2,983	298	10%	2,579	86.46%	3,246	1,231	37.92%
Buildings and other fixed structures								
Machinery and equipment	2,835	298	11%	2,103	74.18%	2,708	1,231	45.46%
Specialised military assets								
Cultivated assets								
Software and other intangible assets	148		0%	476	321.62%	538		0.00%
Land and subsoil assets								
Payments for financial assets								
Total	161,818	75,175	46.46%	157,381	97.26%	194,159	76,689	39.50%

Main expenditure trends for the first half of the 2010/11 financial year

Expenditure in the first six months of 2010/11 amounted to R 76.689 million or 39.5 per cent of the adjusted appropriation of R 194.159 million.

The main decreases/increases related to:

Programme 1: Administration

The expenditure in the first six months of the 2010/11 financial year amounted to R23.435 million or 44 per cent of the adjusted budget. The lower spending is attributable to the implementation of the Improvement in Conditions of Service (ICS), vacancies and projects which will be implemented in the second six months of the financial year.

Programme 2: Institutional Development

The expenditure in the first six months of the 2010/11 financial year amounted to R27.203 million or 34 per cent of the adjusted budget. This Programme received additional funding in the adjustment budget for implementation of projects in the second six months of the financial year, hence the decline.

Programme 3: Policy and Governance

The expenditure in the first six months of the 2010/11 financial year amounted to R26.051 million or 43 per cent of the adjusted budget. The major activities of Programme 3 are in the second six months of the financial year.

Economic classification

- **Current Payments**

The 39.48 per cent spending of current payments is mainly attributable to the vacancies (transfers, resignations and deaths) of several posts in the department in the first six months of the year and the implementation of ICS.

- **Transfers and subsidies**

The 49.77 per cent spending on transfers in the first six months is due to the payment of unanticipated leave gratuity payments made in the form of households.

- **Payments for capital assets**

The increase in spending for the capital asset is anticipated in the second six months of the year.

Departmental receipts

Table 1.4 Departmental receipts

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts	2 934	1 000	34%	2 944	100%	2 845	3 185	1 786	56%
Tax receipts									
Sales of goods and services other than	1 835	846	46%	1 944	106%	2 829	3 033	1 648	54%
Transfers received	150	150	100%		0%				
Fines, penalties and forfeits									
Interest, dividends and rent on land	27	4	15%	24	89%	16	12	1	8%
Sales of capital assets									
Financial transactions in assets and liabilities	922			976	106%		140	137	98%
Provincial Revenue Fund receipts (non-departmental receipts)			0.00%		0.00%				0.00%
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	2 934	1 000	34.08%	2 944	100.34%	2 845	3 185	1 786	56.08%

Free State Legislature

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	153 638	153 638		
Current payments	85 689	84 064	(2 025)	
Transfers and subsidies	46 798	48 423		2 025
Payments for capital assets	2 630	2 630		
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	18 521	18 521	(2,025)	2,025
Executive Authority	Speaker to the Legislature			
Accounting Officer	Acting Secretary to the Legislature			
Website address	www.fsl.gov.za			

Aim

To provide funding for the legislative and institutional support services required by the Legislature to fulfil its constitutional function.

Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives.

Adjusted Estimates of Provincial Expenditure 2010

Table 2.1(a): Adjusted Estimates

R thousand	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Administration	67 628			(2 025)		65 603	
2. Facilities, Benefits to Members & Political Parties	48 053			2 025		50 078	
3. Parliamentary Services	19 436					19 436	
Subtotal	135 117					135 117	
Direct charge against the Provincial Revenue Fund							
Members Remuneration	18 521					18 521	
Total	153 638					153 638	

Economic classification

Table 2.1(p): Adjusted Estimates per economic classification

Programme	2010/11						
	Main appropriation	Adjustments				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand							
Economic classification							
Current payments	104 210			(2 025)		(2 025)	102 585
Compensation of employees	60 491						60 491
Goods and Services	43 719			(2 025)		(2 025)	42 094
Interest and rent on land							
Transfers and subsidies to;	46 798			2 025		2 025	48 423
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	45 048			2 025		2 025	47 073
Households	1 750						1 350
Payments for capital assets	2 630						2 630
Buildings and other fixed structures							
Machinery and equipment	2 589						2 589
Cultivated assets							
Software and other intangible assets	41						41
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	153 638						153 638

Table 2.1.1: Adjusted Estimates - Administration

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R/Thousand							
1. Office of the Speaker	13 038						13 038
2. Office of the Secretary	18 552			(400)		(400)	18 152
3. Finance	22 804			(1 625)		(1 625)	21 179
4. Corporate Services	13 234						13 234
Subtotal	67 628			(2 025)		(2 025)	65 603
Direct charge against the Provincial Members Remuneration	18 521						18 521
Item							
Total	86 149			(2 025)			84 124
Economic classification							
Current payments	82 191			(2 025)		(1 625)	80 166
Compensation of employees	44 759						44 759
Goods and Services	37 432			(2 025)		(2 025)	35 407
Interest and rent on land							
Transfers and subsidies to:	1 750						1 750
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	1 750						1 750
Payments for capital assets	2 208						2 208
Buildings and other fixed structures							
Machinery and equipment	2 167						2 167
Cultivated assets							
Software and other intangible assets	41						41
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	86 149			(2 025)		(2 025)	84 124

Table 2.1.2: Adjusted Estimates - Facilities and Benefits for Members and Political Parties

Sub programme	2010/11						
	Main appropriation	Adjustments			Appropriation		
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
R1 thousand							
1. Facilities & benefits to Members	3 005						3 005
2. Political Support Services	45 048			2 025		2 025	47 073
Total	48 053			2 025		2 025	50 078
Economic classification							
Current payments	3 005						3 005
Compensation of employees							
Goods and Services	3 005						3 005
Interest and rent on land							
Transfers and subsidies to;	45 048			2 025		2 025	47 073
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	45 048			2 025		2 025	47 073
Households							
Payments for capital assets							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	48 053			2 025		2 025	50 078

Table 2.1.3: Adjusted Estimates - Parliamentary Services

Sub programme		2010/11						
R'thousand	Main appropriation	Adjustments			Appropriation	Total adjustment appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments			
1.Procedural Services	17 781						17 781	
2.Legal Services	1 655						1 655	
Total	19 436						19 436	
Economic classification								
Current payments	19 014						19 014	
Compensation of employees	15 732						15 732	
Goods and Services	3 282						3 282	
Interest and rent on land								
Transfers and subsidies to:								
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
Payments for capital assets								
Payments for capital assets	422						422	
Buildings and other fixed structures								
Machinery and equipment	422						422	
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total	19 436						19 436	

Details of adjustments to Estimates of Provincial Expenditure 2010

Virements and shifts

Table 2.2: Details on virements and shifts within a department

Programmes Summary					
1. Administration					
2. Facilities and Benefits for Members and Political Parties					
3. Parliamentary Services					
FROM: Administration			TO: Facilities and Benefits for Members and Political Parties		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1		(2 025)	Programme 2		2 025
Goods and Services	Cost containment ensured savings under operational expenditure	(1 625)	Transfers	Increase in constituent grants for Political Parties	2 025
Transfers	Households	(400)			
Percentage of programme budget			Percentage of programme budget		
Total			Total		
		(2 025)			2 025

Funds shifted within a vote to follow a functions shift within the same vote

Constituent grants payable to represented political parties increased the benefit by 30 per cent. An internal shift is made between Programme 1: Administration and Programme 2: Facilities and Benefits to Members and Political Parties to accommodate the increase.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 2.3: Details on virements and shifts within a department

R thousand	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1. Administration	69 905	36 393	52.06%	66 111	94.57%	65 603	30 357	46.27%
2. Facilities & Benefits for Members & Political Parties	50 380	16 789	33.32%	41 614	82.60%	50 078	23 839	47.60%
3. Parliamentary Services	18 789	9 387	49.96%	19 488	103.72%	19 436	9 024	46.43%
Subtotal	139 074	62 569	44.99%	127 213	91.47%	135 117	63 220	46.79%
Direct charge against the Provincial Revenue Fund	19 653	8 699	44.26%	18 305	93.14%	18 521	8 551	46.17%
Total	158 727	71 268	44.90%	145 518	91.68%	153 638	71 771	46.71%
Current payments	108 728	55 512	51.06%	105 043	96.61%	102 585	47 848	46.64%
Compensation of employees	64 704	29 048	44.89%	59 774	92.38%	60 491	28 008	46.30%
Goods and services	44 024	26 464	60.11%	45 254	102.79%	42 094	19 840	47.13%
Interest and rent on land								
Financial transactions in assets and liabilities				15	-100.00%			
Transfers and subsidies	47 746	15 578	32.63%	39 287	82.28%	48 423	22 984	47.47%
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons				32	-100%		11	-100.00%
Public corporations & private enterprises				88	-100%			
Non-profit institutions	47 432	15 264	32.18%	38 766	81.73%	47 073	22 372	47.53%
Households	314	314	100.00%	401	127.71%	1 350	601	44.52%
Payments for capital assets	2 253	178	7.90%	1 188	52.73%	2 630	939	35.70%
Buildings and other fixed structures								
Machinery and equipment	2 157	178	8.25%	1 181	1	2 589	923	35.65%
Specialised military assets								
Cultivated assets								
Software and other intangible assets	96			7	7.29%	41	16	39.02%
Land and subsoil assets								
Payments for financial assets								
Total	158 727	71 268	44.90%	145 518	91.68%	153 638	71 771	46.71%

Main expenditure trends for the first half of the 2010/11 financial year

Expenditure in the first six months of 2010/11 amounted to R71.771 million or 46.71 per cent of the adjusted appropriation of R153.638 million for 2010/11.

The main increases relates to an inflationary adjustments if compared against the figures for 2009/10.

Departmental receipts

Table 2.4: Expenditure trends

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr10 - Sep 10 % of adjusted estimate
Departmental receipts	1 456	382	26.24%	1 582	108.65%	450	1 306	667	51.07%
Tax receipts									
Sales of goods and services other than capital	45	21	46.67%	286	635.00%		80	61	76.25%
Transfers received				59	-100.00%				
Fines, penalties and forfeits									
Interest, dividends and rent on land	750	341	45.47%	998	133.06%	450	680	340	50.00%
Sales of capital assets	661	20	3.03%	227	34.34%		546	266	48.71%
Financial transactions in assets and liabilities				12	-100.00%				
Provincial Revenue Fund receipts (non-departmental receipts)									
Total	1 456	382	26.24%	1 582	108.65%	450	1 306	667	51.07%

Changes to transfers and subsidies, including conditional grants

Table 2.5: Summary of changes to transfers and subsidies as per programme

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustment appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		
Facilities and Benefits to Members	45 048			2 025			47 073
Non-profit institutions	45 048			2 025			47 073
Total transfers and subsidies	45 048			2 025			47 073

Department of Economic Development Tourism and Environmental Affairs

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	370 762	370 005	(7 087)	6 330
<i>of which:</i>				
Current payments	221 453	214 366	(7 087)	
Transfers and subsidies	95 899	100 899		5 000
Payments for capital assets	53 410	54 740		1 330
Payments for financial assets				
Revenue Fund	370 762	370 005	(7 087)	6 330
Executive Authority	MEC for Economic Development, Tourism and Environmental Affairs			
Accounting Officer	: Head of Department			
Website address	www.detea.fs.gov.za			

Aim

To provide an economic and environmental governance system that contributes towards sustainable livelihoods together with relevant stakeholders to ensure job creation and poverty alleviation within the Free State Province.

Changes to programme purposes, objectives and measures

The Department of Economic Development, Tourism and Environmental Affairs will not change any of the purposes, objectives and measures during the 2010/11 financial year. All programmes remains as tabled in the APP.

Mid-year performance status

The Department of Economic Development, Tourism and Environmental Affairs has not experienced or changed any indicators during 2010/2011 financial year.

Adjusted Estimates of Provincial Expenditure 2010

Table 3.1 (a): Adjusted Estimates per programme

Programme		2010/11					
R/thousand	Main appropriation	Adjustments			Appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		Total adjustment appropriation
Programme 1: Administration	202288			(7 800)	(2 757)	(10 557)	191731
Programme 2: Environmental Affairs	135728	5 131		4 750	(4 131)	5 750	141478
Programme 3: Economic Development	32746			3 050	1 000	4 050	36796
Subtotal	370 762	5 131			(5 888)	(757)	370 005
Direct charge against the Provincial Revenue Fund							
Item							
Total	370 762	5 131			(5 888)	(757)	370 005

Economic classification

Table 3.1 (b): Adjusted Estimates per economic classification

Programme		2010/11					
R/thousand	Main appropriation	Adjustments			Appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		Total adjustment appropriation
Economic classification							
Current payments	221 453			(6 330)	(757)	(7 087)	214 366
Compensation of employees	151807			(16 300)	(757)	(17 057)	134750
Goods and Services	69646			9 970		9 970	79616
Interest and rent on land							
Transfers and subsidies to:	95 899			3 000	2 000	5 000	100 899
Provinces and municipalities							
Departmental agencies and account	71280						71280
Universities and technikons							
Public corporations and private enterprises	24490			3 000	2 000	5 000	29490
Foreign governments and international organisations							
Non-profit institutions							
Households	129						129
Payments for capital assets	53 410	5 131		(1 801)	(2 000)	1 330	54 740
Buildings and other fixed structures	45886	5131		169		5 300	50886
Machinery and equipment	7824			(1 970)	(2 000)	(3 970)	3854
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	370 762	5 131		(5 131)	(757)	(757)	370 005

Table 3.1.1: Adjusted Estimates - Administration

Sub programme	2010/11						
	R/thousand	Main appropriation	Adjustments Appropriation			Total adjustment appropriation	Adjusted appropriation
Roll-overs			Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Office of the MEC	6904			(110)		(110)	6794
2. Senior Management	141152			(3 120)	3 243	123	141275
3. Financial Management	32252			(2 641)	(6 000)	(8 641)	23611
4. Corporate Service	21980			(1 929)		(1 929)	20051
Subtotal	202 288			(7 800)	(2 757)	(10 557)	191 731
Direct charge against the Provincial Revenue Fund							
Item							
Total	202 288			(7 800)	(2 757)	(10 557)	191 731
Economic classification							
Current payments	102 316			(10 830)	(2 757)	(13 587)	88 729
Compensation of employees	65137			(10 000)	(4 757)	(14 757)	50380
Goods and Services	37179			(830)	2 000	1 170	38349
Interest and rent on land							
Transfers and subsidies to;	95 770			3 000	2 000	5 000	100 770
Provinces and municipalities							
Departmental agencies and account	71280						71280
Universities and technikons							
Public corporations and private enterprises	24490			3 000	2 000	5 000	29490
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets	4 202			30	(2 000)	(1 970)	2 232
Buildings and other fixed structures							
Machinery and equipment	4202			30	(2 000)	(1 970)	2232
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	202 288			(7 800)	(2 757)	(10 557)	191 731

Table 3.1.2: Adjusted Estimates -Environmental Affairs

Sub programme		2010/11					
R thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts			Other adjustments
1. Integrated Economic Planning and Development	6062			(250)	100	(150)	5912
Trade & Sector Development	8682			3 400	500	3 900	12582
3. Business Regulation and Governance	8473			(100)	100	0	8473
4. Tourism Support	9529				300	300	9829
Subtotal	32 746			3 050	1 000	4 050	36 796
Direct charge against the Provincial Revenue Fund							
Item							
Total	32 746			3 050	1 000	4 050	36 796
Economic classification							
Current payments	30 970			4 050	1 000	5 050	36 020
Compensation of employees	17692			(1 750)		(1 750)	15942
Goods and Services	13278			5 800	1000	6 800	20078
Interest and rent on land							
Transfers and subsidies to:							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets	1 776			(1 000)		(1 000)	776
Buildings and other fixed structures							
Machinery and equipment	1776			(1 000)		(1 000)	776
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	32 746			3 050	1 000	4 050	36 796

Table 3.1.3: Adjusted Estimates - Economic Development

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
Rthousand							
1.Environmental Quality Management	10007			(670)	220	(450)	9557
2.Environmental Policy Coordination Planning & Empto	14738			(300)	200	(100)	14638
3. Compliance And Enforcement	6872			(130)	130		6872
4. Biodiversity Management	104111	5131		5 850	(4 681)	6 300	110411
Subtotal	135 728	5 131		4 750	(4 131)	5 750	141 478
Direct charge against the Provincial Revenue Fund							
Item							
Total	135 728	5 131		4 750	(4 131)	5 750	141 478
Economic classification							
Current payments	88 167			450	1 000	1 450	89 617
Compensation of employees	68978			(550)		(550)	68 428
Goods and Services	19189			1 000	1 000	2 000	21 189
Interest and rent on land							
Transfers and subsidies to;	129						129
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	129						129
Payments for capital assets	47 432	5 131		(831)	0	4 300	51 732
Buildings and other fixed structures	45586	5131		169		5 300	50 886
Machinery and equipment	1846			(1 000)		(1 000)	846
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	135 728	5 131		(381)	1 000	5 750	141 478

Details of adjustments to Estimates of Provincial Expenditure 2010

Roll-overs – R5.131 million

Programme 2:

The Rollover request of R 5.131 million was approved for the finalisation of the Phillip Sanders Resort Project.

Other Adjustments

The Department received the following Adjustment Allocation:

Medical Supplies Factory in Kroonstad fro Dept of Social Dev	R2 million
Less: Public Viewing Areas to Department of Sport	(R1 million)
Less: Suspension of Service Delivery Funding	(R6.122 million)
Less: Transfer of one official to Department of Premier	(R0.766 million)
TOTAL	(R5.888 million)

The department has reduced the budget by (R756 689) from R370 762 to R370 005 as per allocation letter.

Virements and shifts

Table 3.2: Details on virements and shifts within a department

Programmes Summary					
1.Administration					
2.Environmental Affairs					
3.Economic Development					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1: Administration			Programme 1: Administration		
Goods & services	To fund machinery and Equipment	(30)	Goods & services	To fund machinery and Equipment	30
Compensation of employees	Savings were identified to increase Transfer to Public Entity(FDC) for Economic Development Incentives	(5,000)	Transfer to Public Entities	Savings were identified to increase Transfer to Public Entity(FDC) for Economic Development Incentives	5,000
Compensation of employees	The amount is for the salary of one official who was transferred to the office of the Premier	(757)	Office of the Premier (Compensation of Employees)	The amount is for the salary of Adv. Lekoene who was transferred to the office of the Premier	757
Programme 1: Administration			Programme 2: Environmental Affairs		
Compensation of employees	Savings were identified to fund the fencing of Rustfontein Dam Nature Reserve	(5,300)	Payments for Capital assets(Building and other fixed structures)	Savings were identified to fund the fencing of Rustfontein Dam Nature Reserve	5,300
Compensation of employees	Savings were identified to fund the training of Rhino Guards	(1,000)	Goods & services	Savings were identified to fund the training of Rhino Guards	1,000
Payments for Capital assets(Machinery and Equipment)	To fund the suspension of Service Delivery Funding	(2,000)	Goods & services	To fund the suspension of Service Delivery Funding	2,000
Programme 1: Administration			Programme 3: Economic Development		
Goods & services	Funding for Tourism month	(800)	Goods and services	Funding for Tourism month	800
Compensation of employees	Savings were identified to fund Economic Development Feasibility Studies	(2,700)	Goods and services	Savings were identified to fund Economic Development Feasibility Studies	2,700
Programme 2: Environmental Affairs			Programme 2: Environmental Affairs		
Payments for Capital assets(Machinery and Equipment)	To Fund Public Viewing Areas to Dept of Sport	(1,000)	Goods and services	To Fund Public Viewing Areas to Dept of Sport	1,000
Compensation of employees			Payments for Capital assets(Building and other fixed structures)		
Compensation of employees	Savings were identified to fund Economic Development Feasibility Studies	(550)	Compensation of employees	Savings were identified to fund Economic Development Feasibility Studies	550
Programme 3: Economic Development			Programme 2: Environmental Affairs		
Payments for Capital assets(Machinery and Equipment)	To fund the suspension of Service Delivery Funding	(1,000)	Goods and Services	To fund the suspension of Service Delivery Funding	1,000
Compensation of employees	Savings were identified to fund Economic Development Feasibility Studies	(1,750)	Compensation of employees	Savings were identified to fund Economic Development Feasibility Studies	1,750

Other Adjustments

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 3.3: Expenditure trends

R thousand	2009/10 Expenditure outcome					2010/11 Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1. Administration	188,131	73,225	38.92%	171,231	91%	191,731	101,914	53%
2.Environmental Affairs	121,437	69,225	57.00%	124,672	103%	141,478	58,464	41%
3.Economic Development	32,171	8,849	27.51%	20,538	64%	36,796	11,089	30%
Subtotal	341,739	151,299	44.27%	316,441	92.60%	370,005	171,467	46.34%
Direct charge against the Provincial Revenue Fund								
Total	341,739	151,299	44.27%	316,441	92.60%	370,005	171,467	46.34%
Current payments	218,379	82,856	37.94%	189,047	86.57%	214,366	100,083	46.69%
Compensation of employees	128,893	55,823	43.31%	117,249	90.97%	134,750	61,965	45.99%
Goods and services	89,486	27,033	30.21%	71,798	80.23%	79,616	38,118	47.88%
Interest and rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies	83,787	35,034	41.81%	83,210	99.31%	100,899	56,156	55.66%
Provinces and municipalities								
Departmental agencies and accounts	49,087	25,526	52.00%	47,970	97.72%	71,280	35,431	49.71%
Universities and technikons								
Public corporations & private enterprises	34,700	9,000	25.94%	34,700	100.00%	29,490	20,688	70.15%
Non-profit institutions								
Households		508		540		129	37	
Payments for capital assets	39,573	33,258	84%	42,486	107.36%	54,740	15,162	27.70%
Buildings and other fixed structures	36,176	32,682	90%	39,237	108.46%	50,886	14,840	29.16%
Machinery and equipment	3,351	471	14%	3,204	95.61%	3,854	322	8.35%
Specialised military assets								
Cultivated assets								
Software and other intangible assets	46	105	228%	45	97.83%			
Land and subsoil assets								
Payments for financial assets		151		1,698			66	
Total	341,739	151,299	44.27%	316,441	92.60%	370,005	171,467	46.34%

Main expenditure trends for the first half of the 2010/11 financial year

Expenditure in the first six months of 2010/11 amounted to R 171.467 million or 46.34 per cent of the adjusted appropriation of R 370.762 million as compared to 44.27 per cent for 2009/10. The increase is mainly attributed to transfers to entities which were done earlier than previously.

Programme: 1: Administration

The increase on expenditure in 2010/11 is due to entities that reported under this programme, which were reporting separately in 2009/10. These changes were done to align with the prescribed budget structure.

Programme: 2: Environmental Affairs

The decline in expenditure from 57 per cent in 2009/10 to 41 per cent in 2010/11 is due to the implementation of cost containment measures and the non filling of critical posts.

Programme: 3 Economic Development

Eco-Tourism sub-programme was moved from programme 2 to programme 3 in the beginning of the current financial year. This move influenced the spending on programme 3 hence the increase from 27 per cent in 2009/10 to 30 per cent in 2010/11. This programme is however still experiencing high vacancy rate hence it is inability to spend.

Economic Classification

Current Payments

The increase from 37 per cent in 2009/10 to 46.6 per cent in 2010/11 was mainly driven by high spending on goods and services. The department's structure was reviewed by consultants through the instruction of the Office of the Premier, a cost that was not incurred in past financial year hence the difference.

Transfers and subsidies

A decision was taken that transfers to entities should be done early so as to enable the entities to spend their allocations on time hence the increase from 41.8 per cent in 2009/10 to 55.6 per cent 2010/11.

Payments for capital assets

Building and Other Fixed Structure: The department is not spending its allocation due the fact that Public Works is the implementing department and the department has written letters requesting Public works to Advertise tenders but that has not happened.

Machinery and Equipment: Due to cost containment measures the department was unable to spend, however the department has used these savings to finance the Phillip Sanders project.

Departmental receipts

Table 3.4 Receipts per Economic Classification

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2010	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts	58 293	12 940	22.20%	22 054	37.83%	61 733	58 159	31 798	54.67%
Tax receipts	35 372	10 441	29.52%	2 520	7.12%	37 459	37 459	15 956	42.60%
Sales of goods and services other than Transfers received	22 248	2 499	11.23%	10 712	48.15%	23 560	8 013	3 646	45.50%
Fines, penalties and forfeits	0			20	500.00%	4	4		0.00%
Interest, dividends and rent on land	4			300	1363.64%	25	39	26	66.67%
Sales of capital assets	22			7 454		0	11 959	11 958	99.99%
Financial transactions in assets and liabilities	647			1 048	161.98%	685	685	212	30.95%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	58 293	12 940	22.20%	22 054	37.83%	61 733	58 159	31 798	54.67%

Main departmental revenue trends for the first half of 2010/11

A paragraph on deviations from the information published in the 2010 EPE will be compiled from the information captured in the receipts database.

Changes to transfers and subsidies, including conditional grants

Table 3.5: Summary of changes to transfers and subsidies per programme

R thousand	2010/11						
	Main appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		
1. Programme 1. Administration	24,490			5,000			29,490
Free State Development Corp	24,490			5,000			29,490
Item name							
Total transfers and subsidies	24,490			5,000			29,490

Revised Infrastructure project list

Table 3.8 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Programme	Date captured on IRM	Total project cost	Expenditure to date from previous	Professional fees budget	Construction budget	Total budget 2010/11 (Rm)	Total budget 2010/11 (FROM)	Captured on EPR&E Yes/No	EPWP Yes/No
						Date: Start	Date: Finish										
1. New and replacement assets (R thousand)																	
1	Soetdoring NR	Mangaung	Motheo	Voted	Construction of 10	2008/04	2010/12	2							(3 000)	Yes	No
2	Maria Moroka	Mangaung	Motheo	Voted	Construction of office complex	2010/12	2011/03	2		3 000						Yes	No
3	Phillip sanders	Mangaung	Motheo	Voted		2010/12	2011/03			5 131					(5 131)	Yes	No
Total New replacement assets														8 131	(8 131)		
2. Maintenance and repairs (R thousand)																	
Rustfontein																	
		Mangaung	Motheo	Voted	Repair of Fence	2010/12	2011/03/			5 300						Yes	No
Philip Sanders																	
		Mangaung	Motheo	Voted											(4 000)	Yes	No
1	Sandveld Nature	Tokologo	Leiwepoutswa	Voted	General Repairs	2010/12	2011/03/	2		650						Yes	Yes
2	Sterkfontein	Maluti a	Thabo	Voted	Revermp Chalets	2010/11	2011/03	2		1 300						No	Yes
3	Gariep Dam	Kopanong	Xariep	Voted	Water Proofing of	2010/12	2011/03	2		250						Yes	Yes
4	Phillip Sanders	Mangaung	Motheo	Voted	General Repairs	2010/12	2011/03	2		500						Yes	Yes
5	Tussen Die	Kopanong	Xariep	Voted	General Repairs	2010/12	2011/03	2		300						Yes	Yes
6	Erfenies Dam	Masilonwane	Leiwepoutswa	Voted	Construction	2010/12	2011/03	2		1 000						Yes	Yes
Total Maintenance and repairs														9 300	(4 000)		

Department of Provincial Treasury

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	177 509	172 898	(8 699)	4 088
<i>of which:</i>				
Current payments	174 609	165 910	(8 699)	
Transfers and subsidies	500	654		154
Payments for capital assets	2 400	6 334		3 934
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	177 509	172 898	(8 699)	4 088
Executive Authority	MEC for Finance			
Accounting Officer	Director General : Free State Provincial Treasury			
Website address	www.treasury.fs.gov.za			

Aim

Provincial Treasury derives its mandate, core functions and responsibilities from the Public Finance Management Act, (Act 1 of 1999), as amended and Municipal Finance Management Act (Act 56 of 2003).

Changes to programme purposes, objectives and measures

Free State Provincial Treasury will not change any of the purposes, objectives and measures during the 2010/11 financial year. All programmes remains as tabled APP.

Mid-year performance status

Provincial Treasury has not experienced or changed any indicators during 2010/11 financial year. In the first six months of the 2010/11 financial year the department indicated in the performance reports that most of the set targets are well on track. Only programme 4 did not achieve all set targets due to the fact that the structure is in the process of being amended where after the relevant changes will be effected, but this is only envisaged for the 2011/12 financial year.

Adjusted Estimates of Provincial Expenditure 2010

Table 4.1(a): Adjusted Estimates per Programme

Programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virements and shifts	Other adjustments			
R thousand							
1.Administration	64 136			2 283		2 283	66 419
2.Sustainable Resource Management	21 156			501		501	21 657
3.Asset & Liability Management	60 024			(2 784)	(4 611)	(7 395)	52 629
4.Financial Governance	32 193						32 193
Subtotal	177 509				(4 611)	(4 611)	172 898

Economic classification

Table 4.1(b): Adjusted Estimates per Economic Classification

Programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virements and shifts	Other adjustments			
R thousand							
Economic classification							
Current payments	174 609			(4 088)	(4 611)	(8 699)	165 910
Compensation of employees	118 196			(4 175)		(4 175)	114 021
Goods and Services	56 413			87	(4 611)	(4 524)	51 889
Interest and rent on land							
Transfers and subsidies to;	500			154		154	654
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	500			154		154	654
Payments for capital assets	2 400			3 934		3 934	6 334
Buildings and other fixed structures							
Machinery and equipment	2400			3 934		3 934	6 334
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	177 509				(4 611)	(4 611)	172 898

Table 4.1.1: Adjusted Estimates - Administration

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand							
1. Office of the MEC	4 993			79		79	5 072
2. Management Services	2 879			(63)		(63)	2 816
3. Corporate Services	28 334			1 619		1 619	29 953
4. Financial Management	24 125			638		638	24 763
5. Internal Audit - departmental	3 805			10		10	3 815
Subtotal	64 136			2 283		2 283	66 419
Direct charge against the Provincial Revenue Fund							
Total	64 136			2 283		2 283	66 419
Economic classification							
Current payments	61 950			(1)		(1)	61 949
Compensation of employees	44 337			(282)		(282)	44 055
Goods and Services	17 613			281		281	17 894
Interest and rent on land							
Transfers and subsidies to;	500			(116)		(116)	384
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	500			(116)		(116)	384
Payments for capital assets	1 686			2 400		2 400	4 086
Buildings and other fixed structures							
Machinery and equipment	1 686			2 400		2 400	4 086
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	64 136			2 283		2 283	66 419

Table 4.1.2: Adjusted Estimates - Sustainable Resource Management

Sub programme	2010/11					
	Main appropriation	Adjustments Appropriation			Total adjustment appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand						
1.SEM: Sustainable Resource Man	1 371			4	4	1 375
2.Economic Analysis	5 346			58	58	5 404
3.Fiscal Policy	5 400			(8)	(8)	5 392
4.Budget Management	5 382			482	482	5 864
5.Public Finance	3 657			(35)	(35)	3 622
Subtotal	21 156			501	501	21 657
Direct charge against the Provincial Revenue Fund						
Total	21 156			501	501	21 657
Economic classification						
Current payments	21 046			254	254	21 300
Compensation of employees	17 354			650	650	18 004
Goods and Services	3 692			(396)	(396)	3 296
Interest and rent on land						
Transfers and subsidies to;						
Provinces and municipalities						
Departmental agencies and account						
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households						
Payments for capital assets	110			247	247	357
Buildings and other fixed structures						
Machinery and equipment	110			247	247	357
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
Payments for financial assets						
Total	21 156			501	501	21 657

Table 4.1.3: Adjusted Estimates - Asset & Liability Management

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand							
1. Programme Support	1 260			56		56	1 316
2. Asset Management	12 776			434		434	13 210
3. Liability Management							
4. Supporting and Interlinked Financial Systems	45 988			(3 274)	(4 611)	(7 885)	38 103
Subtotal	60 024			(2 784)	(4 611)	(7 395)	52 629
Direct charge against the Provincial Revenue Fund							
Total	60 024			(2 784)	(4 611)	(7 395)	52 629
Economic classification							
Current payments	59 420			(4 134)	(4 611)	(8 745)	50 675
Compensation of employees	28 718			(955)		(955)	27 763
Goods and Services	30 702			(3 179)	(4 611)	(7 790)	22 912
Interest and rent on land							
Transfers and subsidies to;				270		270	270
Provinces and municipalities							
Departmental agencies and account							
Universities and technicians							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				270		270	270
Payments for capital assets	604			1 080		1 080	1 684
Buildings and other fixed structures							
Machinery and equipment	604			1 080		1 080	1 684
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	60 024			(2 784)	(4 611)	(7 395)	52 629

Table 4.1.4: Adjusted Estimates - Financial Governance

R thousand	Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
		Main appropriation	Adjustments			Appropriation		
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts			
	1. Programme Support	1 690					1 690	
	2. Accounting Services	13 711			(6 312)	(6 312)	7 399	
	3. Norms and Standards	9 583			5 224	5 224	14 817	
	4. Risk Management Provincial	3 962			2 084	2 084	6 046	
	5. Provincial Internal Audit	3 237			(996)	(996)	2 241	
	Subtotal	32 193					32 193	
	Direct charge against the Provincial Revenue Fund							
	Total	32 193					32 193	
	Economic classification							
	Current payments	32 193			(207)	(207)	31 986	
	Compensation of employees	27 787			(3 588)	(3 588)	24 199	
	Goods and Services	4 406			3 381	3 381	7 787	
	Interest and rent on land							
	Transfers and subsidies to;							
	Provinces and municipalities							
	Departmental agencies and account							
	Universities and technikons							
	Public corporations and private enterprises							
	Foreign governments and international organisations							
	Non-profit institutions							
	Households							
	Payments for capital assets				207	207	207	
	Buildings and other fixed structures							
	Machinery and equipment				207	207	207	
	Cultivated assets							
	Software and other intangible assets							
	Land and subsoil assets							
	Heritage assets							
	Specialised military assets							
	Payments for financial assets							
	Total	32 193					32 193	

Details of adjustments to Estimates of Provincial Expenditure 2010

Virements and shifts

Programme 1: Administration

Additional funding is made available in the Office of the MEC and will be utilised for the foreign accommodation for the MEC during an overseas trip in the interest of government.

Additional fund is made available in Corporate Services for utilisation of furniture in the entire directorate and for the replacement of server switches.

Programme 2: Sustainable Resource Management

Additional funding is provided for Budget Management to pay compensation of employees and the purchasing of furniture and computers for permanent appointed budget practitioners.

Programme 3: Asset & Liability Management

Due to a credit note received by the department in the 2009/10 financial year which were transferred over to the 2010/11 financial year funding became available within the SITA items to be reprioritized for other needs within the department. This however was a once off incident and the credit is depleted within the first six months of the 2010/11 financial year.

Programme 4: Financial Governance

Internal shifting of funds in order to align the functions within this programme to the correct responsibilities. Within the Norms and Standards objectives several new responsibilities were identified which had to be funded. This was done by means of shifting of funds as the programme absorbed the functions between the sub-programmes.

Table 4.6: Details on virements and shifts within a department

Programmes Summary					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 3		(2 784)	Programme 1		2 283
Goods and services Machinery and equipment		(2 784)	Goods and services Machinery and equipment	For shortfall on foreign accommodation, and furniture for Corporate Services and the replacement of server switches	2 283
			Programme 2		501
			Compensation of Employees Goods and services	for shortfall on compensation and furniture and computers for newly appointed officials	501
Percentage of programme budget		5%			
Total		(2 784)			2 784

Other adjustments

An amount of R4.611 million was surrendered to be utilized by the Department of Sport, Arts, Culture and Recreation (R1 million) towards the 2010 Soccer project and the remaining will be surrendered to the Department of the Premier in respect of Communication and funding of service delivery in the province. These funds were surrendered within programme 3: Asset and Liability Management due to a saving on the SITA account.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 4.7 Expenditure Trends

R thousand	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 09 - Mar 10 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1. Administration	65 312	23 801	37.10%	61 382	100.00%	66 419	26 122	39.33%
2. Sustainable Resource Management	19 733	8 167	42.99%	17 613	100.00%	21 657	9 071	41.88%
3. Asset & Liability Management	49 502	21 087	39.01%	46 146	100.00%	52 629	17 816	33.85%
4. Financial Governance	25 005	10 766	42.99%	24 409	100.00%	32 193	11 665	36.23%
Subtotal	159 552	63 821	40.00%	149 550	93.73%	172 898	64 674	37.41%
Direct charge against the Provincial Revenue Fund								
Total	159 552	63 821	40.00%	149 550	93.73%	172 898	64 674	37.41%
Current payments	154 138	61 368	39.81%	142 822	92.66%	165 910	63 161	38.07%
Compensation of employees	102 211	46 038	44.54%	96 867	101.81%	114 021	51 112	44.83%
Goods and services	48 232	15 253	27.15%	42 055	100.71%	51 889	12 003	23.13%
Interest and rent on land	3 695	77	855.56%	3 900	104.92%		46	0.00%
Transfers and subsidies	3 854	2 414	62.64%	4 083	105.94%	654	454	69.42%
Provinces and municipalities	256	244	94.94%	245	104.49%		1	0.00%
Departmental agencies and accounts								
Universities and technicians								
Public corporations & private enterprises								
Non-profit institutions								
Households	3 598	2 170	100.65%	3 838	93.33%	654	453	69.27%
Payments for capital assets	1 560	39	2.50%	2 564	164.36%	6 334	1 059	16.72%
Buildings and other fixed structures								
Machinery and equipment	1 560	39	12.91%	2 564	26.37%	6 334	1 059	16.72%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Payments for financial assets				81				
Total	159 552	63 821	40.00%	149 550	93.73%	172 898	64 674	37.41%

Main expenditure trends for the first half of the 2010/11 financial year

During the 2009/10 financial year the department start with the process in rectifying the economic classification of finance leases. This had the impact that the budget spend increased rapidly on the capital spending. In the 2010/11 financial year the budget on capital also increased high. It further needs to be mentioned that the Department of Education is from the 2010/11 financial year handling all bursary payments as a centralized function. The impact it had on this department is that payments in prior years within transfer payments amounted to about R3.5 million and this now decreased to only R0.600 million.

Programme: 1 Administration

This budget increased mainly due to the replacement of switches on networks and the procurement of furniture. Other main increases were due to the annual increase of 7.5 per cent which is higher than anticipated.

Programme: 2 Sustainable Resource Management

The increase within this programme is mainly due to the permanent of budget practitioners in Budget Management. This had an impact on the goods and services and on capital items as there is furniture and computers to be procured and goods and services which will increase. Other main increases were due to the annual increase of 7.5 per cent which is higher than anticipated.

Programme: 3 Asset and Liability Management

The decrease in this programme is mainly caused by the credit note received by the department in the 2009/10 financial year which were transferred over to the 2010/11 financial year funding became available within the SITA items to be reprioritized for other needs within the department. This however was a once off incident and the credit is depleted within the first six months of the 2010/11 financial year. Although the increase of 7.5 per cent of the annual increase have been taken into account within this programme the vacancies within high levels had the impact that an under spending occurred with this item within this programme. These funds have been utilized for other priorities.

Programme: 4 Financial Governance

The budget of this programme remains the same. However within the programme there is multiple shiftings between economic classifications. This is due to the changes in the structure and the main focus area of operation clean audit 2014. The functions within this programme are aligned to achieve this objective. Within this programme the 7.5 per cent annual compensation of employees increase have been taken into account and the programme will realise the saving because on posts not filled. However, the funding will be utilized to cover other items within the programme which is having a need.

An analysis must also be made in terms of economic classification. i.e.**Current Payments**

Current payments increased in the department from the previous financial year due to the annual increase and the permanent appointment of contract staff within programme 2. Goods and services however did decrease but the need for replacement of furniture and equipment and the procurement of additional furniture and equipment decreased this gap.

Transfers and subsidies

Transfer payments decreased due to the fact that the bursary function is handled by the Department of Education. Spending in this classification is mainly on special programmes donations.

Payments for capital assets

Capital asset expenditure increased rapidly from the prior year due to the fact that the department need to replace furniture and outdated computer equipment and as a result of the rectification done in respect of the finance lease items.

Departmental receipts

Table 4.8: Expenditure trends

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2010	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts	81 930	38 416	46.89%	91 715	111.94%	85 982	96 287	53 340	55.40%
Tax receipts									
Sales of goods and services other than	134	88	102.3%	194	100.00%	96	96	69	71.88%
Transfers received				2					
Fines, penalties and forfeits									
Interest, dividends and rent on land	81 608	38 144	50.7%	91 143	100.0%	85 583	95 853	53 025	55.32%
Sales of capital assets	11		0.0%		100.0%	12	12		0.00%
Financial transactions in assets and liabilities	177	184	104.0%	376	100.0%	291	328	246	75.46%
Total	81 930	38 416	46.89%	91 715	111.94%	85 982	96 287	53 340	55.40%

Main departmental revenue trends for the first half of 2010/11

During the first six months of 2010/11 the department were able to earn interest to 62 per cent of the revenue budget allocated due to the fact that funds were monitored and made available for investments. The department also increased the sales of goods and services other than capital assets item by selling tenders in respect of stationary.

Changes to transfers and subsidies

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

R thousand	Main appropriation	2010/11 Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		
Programme 1: Administration	500			(116)		(116)	384
Households	500			(116)		(116)	384
Programme 3: Asset and Liability Management				270		270	270
Households				270		270	270
Total transfers and subsidies	500			154		154	654

Department of Health

Adjusted budget summary

2010/11				
R thousand	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	6 151 710	6 307 313		155 603
<i>of which:</i>				
Current payments	5 442 657	5 582 600		139 943
Transfers and subsidies	91 110	95 013		3 903
Payments for capital assets	617 943	629 700		11 757
Direct charge against the Provincial Revenue Fund	6 151 710	6 307 313		155 603
Executive Authority	MEC for Health			
Accounting Officer	HOD: Health			
Website address	www.healthfs.gov.za			

Aim

The aim of the Department of Health is to provide comprehensive health services, which include the prevention of diseases, promotion of health, curative and rehabilitation services in terms of applicable Legislation

Mid-year performance status

Provincial Department of Health has not experienced or changed any indicators during 2010/2011 financial year.

Adjusted Estimates of Provincial Expenditure 2010

Table 5.1 (a): Adjusted Estimates

Programme		2010/11				
R'thousand	Main appropriation	Adjustments appropriation			Total adjustments Appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments	
1 Administration	234 650				10 814	245 464
2 District Health Services	2 341 975	1 200			67 250	2 410 425
3 Emergency Medical Services	338 103	1 804			10 577	350 484
4 Provincial Hospital Services	1 493 510				43 585	1 537 095
5 Central Hospital Services	1 036 711				13 664	1 050 375
6 Health Science & Training	139 591				3 085	142 676
7 Health Care Support	90 605				3 624	94 229
8 Health Facilities Management	508 426					508 426
less: Internal Charges	(31 861)					(31 861)
Total	6 151 710	3 004			152 599	6 307 313
Direct charge on the Provincial Revenue Fund						
Total	6 151 710	3 004			152 599	6 307 313

Economic classification

Table 5.1 (b): Adjusted Estimates per Economic Classification

Economic classification	2010/11						
	R'thousand	Main appropriation	Adjustments appropriation			Total adjustments appropriation	Adjusted appropriation
Roll-overs			Unforeseeable / unavoidable	Virement	Other adjustments		
Current payments		5 442 657	1 200	(13 856)	152 599	139 943	5 582 600
Compensation of employees		3 575 952		(3 903)	121 437	117 534	3 693 486
Goods and services		1 866 705	1 200	(10 453)	31 162	21 909	1 888 614
Interest and rent on land				500		500	500
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:		91 110		3 903		3 903	95 013
Provinces and municipalities							
Departmental agencies and accounts		2 000					2 000
Universities and technicons							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions		63 547					63 547
Households		25 563		3 903		3 903	29 466
		617 943	1 804	9 953		11 757	629 700
Payments for capital assets							
Buildings and other fixed structures		386 000		(4 488)		(4 488)	381 512
Machinery and equipment		231 943	1 804	14 441		16 245	248 188
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for financial assets							
Total		6 151 710	3 004		152 599	155 603	6 307 313

Table 5.1.1: Adjusted Estimates - Administration

Programme	2010/11							
	R'thousand	Main appropriation	Adjustments appropriation			Adjusted appropriation		
			Roll-overs	Unforeseeable / unavoidable	Virement		Other adjustments	Total adjustments appropriation
1 Office of the MEC		5 230			393	393	5 623	
2 Corporate Services		229 420			10 421	10 421	239 841	
Total		234 650			10 814	10 814	245 464	
Economic classification								
Current payments		230 392			(1 530)	10 814	9 284	239 676
Compensation of employees		163 077			(1 000)	7 814	6 814	169 891
Goods and services		67 315			(884)	3 000	2 116	69 431
Interest and rent on land					354		354	354
Financial transactions in assets and liabilities								
Unauthorised expenditure								
Transfers and subsidies to:		327			1 000		1 000	1 327
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technicons								
Foreign governments & international organisations								
Public corporations & private enterprises								
Non-profit institutions		27						27
Households		300			1 000		1 000	1 300
Payments for capital assets		3 931			530		530	4 461
Buildings and other fixed structures								
Machinery and equipment		3 931			530		530	4 461
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Payments for financial assets								
Total		234 650			10 814	10 814	10 814	245 464

Table 5.1.2: Adjusted Estimates - District Health Services

Programme		2010/11					
R'thousand	Main appropriation	Adjustments appropriation				Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments		Total adjustments appropriation
1 District Management	60 077			9 355	4 140	13 495	73 572
2 Community Health Clinics	515 498			84 596	13 412	98 008	613 506
3 Community Health Centre	61 082			10 296	1 974	12 270	73 352
4 Community Based Services	316 486			(79 808)	4 683	(75 125)	241 361
5 HIV/AIDS	478 855	1 200			6 126	7 326	486 181
6 Nutrition	12 899			(691)	535	(156)	12 743
7 Coroner Services	37 218						37 218
8 District Hospitals	859 860			(23 748)	36 380	12 632	872 492
Total	2 341 975	1 200			67 250	68 450	2 410 425
Economic classification							
Current payments	2 244 003	1 200		(2 113)	67 250	66 337	2 310 340
Compensation of employees	1 444 876			(550)	49 250	48 700	1 493 576
Goods and services	799 127	1 200		(1 567)	18 000	17 633	816 760
Interest and rent on land				4		4	4
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:	63 991			550		550	64 541
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technicons							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions	62 145						62 145
Households	1 846			550		550	2 396
Payments for capital assets	33 981			1 563		1 563	35 544
Buildings and other fixed structures	5 000			(1 488)		(1 488)	3 512
Machinery and equipment	28 981			3 051		3 051	32 032
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for financial assets							
Total	2 341 975	1 200			67 250	68 450	2 410 425

Table 5.1.3: Adjusted Estimates - Emergency Medical Services

Programme	2010/11					Adjusted appropriation	
	R'thousand	Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments		Total adjustments appropriation
1 Emergency Transport	329 387	1 804			10 384	12 188	341 575
2 Planned Patient Transport	8 716				193	193	8 909
Total	338 103	1 804			10 577	12 381	350 484
Economic classification							
Current payments	288 103			(25)	10 577	10 552	298 655
Compensation of employees	194 674			(25)	10 577	10 552	205 226
Goods and services	93 429			(3)		(3)	93 426
Interest and rent on land				3		3	3
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:				25		25	25
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technicons							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions							
Households				25		25	25
Payments for capital assets	50 000	1 804				1 804	51 804
Buildings and other fixed structures							
Machinery and equipment	50 000	1 804				1 804	51 804
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for financial assets							
Total	338 103	1 804			10 577	12 381	350 484

Table 5.1.4: Adjusted Estimates - Provincial Hospital Services

Programme		2010/11					
R'thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments	Total adjustments appropriation	Adjusted appropriation
1 General Hospital	1 273 482				37 824	37 824	1 311 306
2 Public-Private Partnership	1 320						1 320
3 Psychiatric/Mental Hospital	218 708				5 761	5 761	224 469
Total	1 493 510				43 585	43 585	1 537 095
Economic classification							
Current payments	1 463 664			(1 228)	43 585	42 357	1 506 021
Compensation of employees	1 008 812			(1 228)	33 423	32 195	1 041 007
Goods and services	454 852			(12)	10 162	10 150	465 002
Interest and rent on land				12		12	12
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:	4 023			1 228		1 228	5 251
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technicians							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions	1 375						1 375
Households	2 648			1 228		1 228	3 876
Payments for capital assets	25 823						25 823
Buildings and other fixed structures							
Machinery and equipment	25 823						25 823
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for financial assets							
Total	1 493 510				43 585	43 585	1 537 095

Table 5.1.5: Adjusted Estimates - Central Hospital Services

Programme		2010/11					
R'thousand	Main appropriation	Adjustments appropriation				Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments		Total adjustments appropriation
1 Central Hospital Services	1 031 431				13 664	13 664	1 045 095
2 Public-Private Partnership	5 280						5 280
Total	1 036 711				13 664	13 664	1 050 375
Economic classification							
Current payments	987 723			(950)	13 664	12 714	1 000 437
Compensation of employees	635 731			(950)	13 664	12 714	648 445
Goods and services	351 992						351 992
Interest and rent on land							
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:	2 000			950		950	2 950
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technicons							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions							
Households	2 000			950		950	2 950
Payments for capital assets	46 988						46 988
Buildings and other fixed structures							
Machinery and equipment	46 988						46 988
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for financial assets							
Total	1 036 711				13 664	13 664	1 050 375

Table 5.1.6: Adjusted Estimates - Health Science Training

Programme	2010/11					Adjusted appropriation	
	R'thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation
Roll-overs			Unforeseeable / unavoidable	Virement	Other adjustments		
1 Nurse Training College	55 629				1 163	1 163	56 792
2 EMS Training College	23 246				221	221	23 467
3 Bursaries							
4 Primary Health Care Training	47 169				1 701	1 701	48 870
5 Training Other	13 547						13 547
Total	139 591				3 085	3 085	142 676
Economic classification							
Current payments	111 263				3 085	3 085	114 348
Compensation of employees	69 217				3 085	3 085	72 302
Goods and services	42 046			(126)		(126)	41 920
Interest and rent on land				126		126	126
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:	18 769						18 769
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technicons							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions							
Households	18 769						18 769
Payments for capital assets	9 559						9 559
Buildings and other fixed structures	3 000			(3 000)		(3 000)	
Machinery and equipment	6 559			3 000		3 000	9 559
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for financial assets							
Total	139 591				3 085	3 085	142 676

Table 5.1.7: Adjusted Estimates - Health Care Support Services

Programme	R'thousand	2010/11					Adjusted appropriation
		Main appropriation	Adjustments appropriation			Total adjustments appropriation	
			Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments	
1 Laundries	75 794					2 940	78 734
2 Orthotic and Prosthetic Services	12 811					684	13 495
3 Medicine (Medpas) Trading Account	2 000						2 000
Total	90 605					3 624	94 229
Economic classification							
Current payments	86 944			(150)		3 624	90 418
Compensation of employees	57 228			(150)		3 624	60 702
Goods and services	29 716			(1)		(1)	29 715
Interest and rent on land				1		1	1
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:	2 000			150		150	2 150
Provinces and municipalities							
Departmental agencies and accounts	2 000						2 000
Universities and technicons							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions							
Households				150		150	150
Payments for capital assets	1 661						1 661
Buildings and other fixed structures							
Machinery and equipment	1 661						1 661
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for capital assets							
Total	90 605					3 624	94 229

Table 5.1.8: Adjusted Estimates - Health Facilities Management

Programme		2010/11				
R'thousand	Main appropriation	Adjustment appropriation			Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virement/Shifts	Other adjustments	Total adjustments appropriation
1 Community Health Services	55 000					55 000
2 District Hospital Services	363 426					363 426
3 Provincial Health Services	90 000					90 000
Total	508 426					508 426
Economic classification						
Current payments	62 426			(7 860)		(7 860)
Compensation of employees	2 337					2 337
Goods and services	60 089			(7 860)		(7 860)
Interest and rent on land						
Financial transactions in assets and liabilities						
Unauthorised expenditure						
Transfers and subsidies to:						
Provinces and municipalities						
Departmental agencies and accounts						
Universities and technicons						
Foreign governments & international organisations						
Public corporations & private enterprises						
Non-profit institutions						
Households						
Payments for capital assets	446 000			7 860		7 860
Buildings and other fixed structures	378 000					378 000
Machinery and equipment	68 000			7 860		7 860
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Payments for capital assets						
Total	508 426					508 426

Table 5.1.9: Adjusted Estimates - Internal Charge

Programme		2010/11					
R'thousand		Adjustments Appropriation					
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments	Total adjustments appropriation	Adjusted appropriation
1 Internal Charges	(31 861)						(31 861)
Total	(31 861)						(31 861)
Economic classification							
Current payments	(31 861)						(31 861)
Compensation of employees							
Goods and services	(31 861)						(31 861)
Interest and rent on land							
Financial transactions in assets and liabilities							
Unauthorised expenditure							
Transfers and subsidies to:							
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technicons							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions							
Households							
Payments for capital assets							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Payments for financial assets							
Total	(31 861)						(31 861)

Details of adjustments to Estimates of Provincial Expenditure 2010

Roll-overs – R3.004 million

Programme 2: District Health Services

R1.200 million approved rollover for HIV& AIDS Prevention will be utilized for the expansion of HIV/AIDS counselling and testing campaigns.

Programme 3: Emergency Medical Services

R1.804 million approved rollover will be utilized to pay the 2009/2010 commitments which relates to 2010 World Cup.

Virements and shifts

Table 5.2: Details on virements and shifts per Economic Classification

Programmes Summary					
1.Administration 2.District Health Services 3.Emergency Medical Services 4.Provincial Hospital Services 5.Central Hospital Services 6.Health Science & Training 7.Health Care Support 8.Health Facilities Management					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic	Motivation	R' thousand
Programme 1		(1 884)	Programme 1		1 884
Compensation of employees	Realign of the budget with severage packages	(1 000)	Transfer Payments (Household)	Severage packages was not fully budgeted	1 000
Goods and Services	Funding due to SCOA changes	(354)	Interest and Rent on Land	Due to changes on the SCOA classification regarding interest on finance leases	354
Goods and Services	Reallocate a saving on goods and services to procure/lease Machinery and equipment .	(530)	Machinery and Equipment	To fund the payment of Finance leases in accordance with SCOA.	130
			Machinery and Equipment	Procurement of essential Machinery and equipment.	400
Percentage of programme budget		1%			
Programme 2		(3 605)	Programme 2		3 605
Compensation of employees	Realign of the budget with severage packages	(550)	Transfer Payments (Household)	Severage packages was not fully budgeted	550
Goods and Services	Funding due to SCOA changes	(4)	Interest and Rent on Land	Due to changes on the SCOA classification regarding finance lease	4
Buildings & Other Fix Structure		(600)	Machinery and Equipment		2 163
Goods and Services		(1 563)			.
Buildings & Other Fix Structure		(888)	Machinery and Equipment		888
Percentage of programme budget		0.15%			

Programme 3		(39 918)	Programme 3		39 918
Compensation of employees	Realign of the budget with severage packages	(25)	Transfer Payments (Household)	Severage/exit packages were not fully budgeted for.	25
Goods and Services	Funding due to SCOA changes	(3)	Interest and Rent on Land	Due to changes on the SCOA classification regarding finance lease	3
Machinery and Equipment	Reallocation of funds which were budgeted to procure emergency vehicles.	(39 890)	Machinery and Equipment	Lease of emergency vehicles	39 890
Percentage of programme budget		12%			
Programme 4		(1 240)	Programme 4		1 240
Compensation of employees	Realign of the budget with severage packages	(1 228)	Transfer Payments (Household)	Severage packages was not fully budgeted	1 228
Goods and Services	Funding due to SCOA changes	(12)	Interest and Rent on Land	Due to changes on the SCOA classification regarding finance lease	12
Percentage of programme budget		0.08%			
Programme 5		(950)	Programme 5		950
Compensation of employees	Realign of the budget with severage packages	(950)	Transfer Payments (Household)	Severage packages was not fully budgeted	950
Percentage of programme budget		0.09%			
Programme 6		(3 126)	Programme 6		3 126
Goods and Services	Funding due to SCOA changes	(126)	Interest and Rent on Land	Due to changes on the SCOA classification regarding finance lease	126
Building & Other Fix Structure	Reallocation of a saving on buildings & other fixed structures	(3 000)	Machinery and Equipment	Lease of motor vehicles	1 370
			Machinery and Equipment	Purchasing of machinery and equipment for EMS Training	1 630
Percentage of programme budget		2%			

Programme 7		(151)	Programme 7		151
Compensation of employees	Realign of the budget with sewerage packages	(150)	Transfer Payments (Household)	Severage packages was not fully budgeted	150
Goods and Services	Funding due to SCOA changes	(1)	Interest and Rent on Land	Due to changes on the SCOA classification regarding finance lease	1
Percentage of programme budget		0.17%			
Programme 8		(7 860)	Programme 8		7 860
Goods and Services	Reallocation of a saving on computer hardware and systems less than R5000	(7 860)	Machinery and Equipment	Payment of outstanding 2009/10 invoices for computer hardware and server racks	7 860
Percentage of programme budget		2%			
Total		(58 722)	58 722		

Shifting of funds towards lease payments

The original budget for finance leases was incorrectly captured as current budget. Thus, the following aggregated amount was duly capitalised in accordance with the SCOA classifications:

*Capitalised goods and services: R43.553 million

Other adjustments – Additional Funds

Programme 1: R10.814 million

The following amounts were approved as additional funding:

- R3.604 million has been allocated for the Improvement of Conditions of Service.
- R1.898 million for unpaid PDMS for 2007/2008 and 2008/2009
- R3.000 million has been allocated for the Asset Management Project. Service Provider must be appointed to assist the Department with:
 - ❖ Bar-coding all departmental assets using the aluminium bar-codes
 - ❖ Asset counting and updating the asset register
- R2.312 million has been allocated for the settlement of Departmental overdraft

Programme 2: R67.250

The following amounts were approved as additional funding:

- R29.763 million has been allocated for the Improvement of Conditions of Service.
- R7.802 million for unpaid PDMS for 2007/2008 and 2008/2009
- R9.886 million for OSD for Doctors, Therapists and Artisans
- R4.000 million has been allocated HIV/Aids Grant to ensure scaling up of Antiretroviral Treatment services at Health Facilities and implement the strategic objective of HIV Counselling and Testing Campaign.
- R15.799 million has been allocated for the settlement of Departmental overdraft (of which R1.799 million are compensation of employees and R14.000 million are goods and services)

Programme 3: R10.577 million

The following amounts were approved as additional funding:

- R4.302 million has been allocated for the Improvement of Conditions of Service.
- R259 thousand for unpaid PDMS for 2007/2008 and 2008/2009
- R4.949 million for EMS upgrading
- R1.067 million has been allocated for the settlement of Departmental overdraft

Programme 4: R43.585 million

The following amounts were approved as additional funding:

- R20.222 million has been allocated for the Improvement of Conditions of Service.
- R6.674 million for unpaid PDMS for 2007/2008 and 2008/2009
- R6.527 million for OSD for Doctors, Therapists and Artisans
- R10.162 million has been allocated for the settlement of Departmental overdraft (goods and services)

Programme 5: R13.664 million

The following amounts were approved as additional funding:

- R3.815 million has been allocated for the Improvement of Conditions of Service.
- R2.843 million for unpaid PDMS for 2007/2008 and 2008/2009
- R5.737 million for OSD for Doctors, Therapists and Artisans
- R1.269 million has been allocated for the settlement of Departmental overdraft

Programme 6: R3.085 million

The following amounts were approved as additional funding:

- R1.529 million has been allocated for the Improvement of Conditions of Service.
- R273 thousand for unpaid PDMS for 2007/2008 and 2008/2009
- R1.283 million has been allocated for the settlement of Departmental overdraft

Programme 7: R3.624 million

The following amounts were approved as additional funding:

- R1.265 million has been allocated for the Improvement of Conditions of Service.
- R251 thousand for unpaid PDMS for 2007/2008 and 2008/2009
- R2.108 million has been allocated for the settlement of Departmental overdraft

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 5.3 Expenditure trends

R thousand	2009/10 Expenditure outcome					2010/11 Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1 Administration	223 443	82 769	37.04%	194 212	86.92%	245 464	102 243	42%
2 District Health Services	2 075 596	875 812	42.20%	2 030 397	97.82%	2 410 425	1 077 741	45%
3 Emergency Medical Services	287 195	106 407	37.05%	264 972	92.26%	350 484	140 478	40%
4 Provincial Hospital Services	1 392 332	602 959	43.31%	1 331 718	95.65%	1 537 095	657 120	43%
5 Central Hospital Services	964 194	457 622	47.46%	963 367	99.91%	1 050 375	478 601	46%
6 Health Science & Training	122 911	62 260	50.65%	115 859	94.26%	142 676	66 526	47%
7 Health Care Support	82 974	30 671	36.96%	70 893	85.44%	94 229	31 214	33%
8 Health Facilities Management	392 597	130 331	33.20%	261 757	66.67%	508 426	94 901	19%
less: Internal Charges	(28 600)	(12 261)	42.87%	(25 037)	87.54%	(31 861)	(10 046)	32%
Subtotal	5 512 642	2 336 570	42.39%	5 208 138	94.48%	6 307 313	2 638 778	41.84%
Direct charge against the Provincial Revenue Fund								
Total	5 512 642	2 336 570	42.39%	5 208 138	94.48%	6 307 313	2 638 778	41.84%
Current payments	4 959 372	2 147 235	43.30%	4 782 496	96.43%	5 582 600	2 490 476	44.61%
Compensation of employees	3 183 257	1 413 030	44.39%	3 144 308	98.78%	3 693 486	1 754 509	47.50%
Goods and services	1 776 115	733 222	41.28%	1 613 174	90.83%	1 888 614	732 784	38.80%
Interest and rent on land				3 435		500	140	28.00%
Financial transactions in assets and liabilities		983		21 579			3 043	
Transfers and subsidies	79 921	54 265	67.90%	90 256	112.93%	95 013	55 875	58.81%
Provinces and municipalities		1 687		3 122			419	
Departmental agencies and accounts	2 000		0.00%	2 000	100.00%	2 000		0.00%
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	54 453	22 484	41.29%	49 414	90.75%	63 547	30 186	47.50%
Households	23 468	30 094	128.23%	35 720	152.21%	29 466	25 270	85.76%
Payments for capital assets	473 349	135 070	46%	335 386	77.38%	629 700	92 427	14.68%
Buildings and other fixed structures	304 376	105 408	35%	202 046	66.38%		54 964	14.41%
Machinery and equipment	168 973	29 662	18%	133 340	78.91%	381 512	37 463	15.09%
Specialised military assets						248 188		
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total	5 512 642	2 336 570	42.39%	5 208 138	94.48%	6 307 313	2 638 778	41.84%

Main expenditure trends for the first half of the 2010/11 financial year

Expenditure in the first six months of 2010/11 amounted to R2.638 billion or 41.84 per cent of the adjusted appropriation of R6.307 billion.

Programme: 1 – Administration

The increase in expenditure for this programme was caused by improvements in processing payments for goods and services and machinery.

Programme: 2 - District Health Services

The increase in expenditure for this programme was caused by the filling of critical posts as well as improvement of HIV/AIDS counselling and testing programme. Long outstanding accounts on NHLS, Blood and Medicine were settled. Normal Inflation also contributed.

Programme: 3 - Emergency Medical Services

Expenditure for this programme has slightly increased due to the filling of critical vacant posts and the improvement of procurement process at districts level.

Programme: 4 - Provincial Hospital Services

The increase in expenditure for this programme was caused by the filling of critical posts. Long outstanding NHLS, Blood and Medicine accounts are settled. Normal Inflation also contributed.

Programme: 5 - Central Hospital Services

The expenditure trend is almost in line with the previous first six months. Furthermore, long outstanding NHLS, Blood and Medicine accounts have been settled.

Programme: 6 - Health Sciences & Training

The increase is due to Normal inflation increases. The decrease is due to the fact that bursary claims are processed at the beginning of the calendar year as opposed to previous year; this is due to centralization of bursaries for non employees. Previously the payments were made on monthly basis.

Programme: 7 - Health Care Support Services

The decrease was caused by the slight slow processing of internal charges for laundry services.

Programme: 8 - Health Facilities Management

Expenditure for this programme has also declined due to the non advertising of projects/delays in the advertising of bids, contractors performed far below expectation which adversely hampers the progress on site.

Economic Classification**Current Payments**

The increases in current payments were mainly due to the filling of vacant posts and ICOS.

Transfers and subsidies

The decrease in expenditure was caused by the decline in the number of claims for bursary categories. However, most payments will be processed towards the end of the financial year.

Payments for capital assets

Slow spending on capital projects is due to the R40 million ICU Pelonomi contracts that was stopped as well as non advertising of bids and underperformance of other capital projects. Contractors performed far below expectation which adversely hampers the progress on site.

Departmental receipts

Table 5.4 Receipts per Economic Classification

	2009/10					2010/11			
	Adjusted appropriation	Receipts outcome		Receipts outcome		Budget estimate	Preliminary receipts		
Apr 2009 - Sep 2009		Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation		Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation	
R thousand									
Departmental receipts	91 315	33 343	36.51%	103 374	113.21%	88 355	101 355	61 636	60.81%
Tax receipts									
Sales of goods and services other than capital receipts	83 415	29 228	35.04%	87 247	104.59%	82 630	86 680	52 102	60.11%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	500	129	25.80%	2 168	433.60%	525	525	163	31.05%
Sales of capital assets	2 300	100	4.35%	841	36.57%	2 000	2 000	1	0.05%
Financial transactions in assets and liabilities	5 100	3 886	76.20%	13 118	257.22%	3 200	12 150	9 370	77.12%
Provincial Revenue Fund receipts (non-departmental receipts)									
Total	91 315	33 343	36.51%	103 374	113.21%	88 355	101 355	61 636	60.81%

Changes to transfers and subsidies

Table 5.5: Summary of changes to transfers and subsidies per programme

2010/11							
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement	Function Shift		
1. Administration	327			1 000		1 000	1 327
Non Profit Institutions	27						27
Households	300			1 000		1 000	1 300
2. District Health Services	63 991			550		550	64 541
Non Profit Institutions	62 145						62 145
Households	1 846			550		550	2 396
3. Emergency Medical Services				25		25	25
Non Profit Institution						-	-
Households				25		25	25
4. Provincial Hospital Services	4 023			1 228		1 228	5 251
Non Profit Institution	1 375						1 375
Households	2 648			1 228		1 228	3 876
5. Central Hospital Services	2 000			950		950	2 950
Households	2 000			950		950	2 950
6. Health Sciences and Training	18 769						18 769
Households	18 769						18 769
7. Health Care Support Services	2 000			150		150	2 150
Households				150		150	150
Departmental Agencies & Accounts	2 000						2 000
Total transfers and subsidies	91 110			3 903		3 903	95 013

Changes to conditional grants: Provinces

Table 5.6: Summary of Changes to Conditional Grants

2010/11							
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments		
2. District Health Services	474 089				4 000	4 000	478 089
Comprehensive HIV and Aids Grant	433 583				4 000	4 000	437 583
Forensic Pathology Services Grant	37 218						37 218
EPWP	3 288						3 288
3. Emergency Medical Services		1 804				1 804	1 804
2010 WC Health Preparation Grant		1 804				1 804	1 804
4. Provincial Hospital Services	146 894						146 894
Hospital Revitalisation Grant	15 000						15 000
National Tertiary Services Grant	131 894						131 894
5. Central Hospital Services	644 975						644 975
Health Professional Training Development	117 400						117 400
National Tertiary Services Grant	527 575						527 575
8. Health Facilities Management	453 426						453 426
Hospital Revitalisation Grant	363 426						363 426
Provincial Infrastructure Grant	90 000						90 000
Total conditional grant: Province	1719 384	1 804			4 000	5 804	1725 188

Revised Infrastructure project list

Table 6.8: Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2010/11 (TO)	Total budget 2010/11 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish									
1. Hospital Revitalisation Programme																
3	Pelononi	Mangaung	Motheo	Revitalisation	Additions	01/04/2009	31/03/2010		650 000	86 789	117 000	61 000	25 000		Yes	Yes
5	Psychiatric Hospital	Mangaung	Motheo	Revitalisation	Renovations and additions	01/04/2009	31/03/2010		612 864	45 564	110 315	55 000		(25 000)	Yes	Yes
Total Revitalization Programme												116 000	25 000	(25 000)		
2. Infrastructure Enhancement Allocation																
1	Ems Control room - TM	Maluti A-Phofung	Thabo Mofutsanyana	Enhancement	Renovation upgrading	01/04/2010	31/03/2011		2 000	46			100		Yes	no
9	College Structure (EMS College)	Mangaung	Motheo	Enhancement	Upgrade and renos	01/04/2009	31/03/2012		24 000	2 451		2 000		(100)	Yes	yes
10	Elevators at Manapo (4 Elevators)	Maluti A-Phofung	Lejweputsva	Enhancement	Replacement of elevators	01/04/2010	31/03/2011		4 000		720	3 500			Yes	yes
11	District Hubs	All Districts	All Districts	Enhancement	Equipment	01/04/2010	31/03/2013		1 000			1 000			Yes	no
12	Manapo Nursing School	Maluti A-Phofung	Lejweputsva	Enhancement	Upgrade of	01/04/2010	31/03/2013		1 000			7 500	100	(100)	Yes	yes
3. Recurrent maintenance (R thousand)																
1	Maintenance	All Districts	All Districts	Enhancement	Infrastructure	01/04/2010	31/03/2013		58 000	784		18 000			Yes	yes
2	Goods and Services	All Districts	All Districts	Enhancement	Infrastructure	01/04/2010	31/03/2013		20 000	1 302		10 000			Yes	no
Total Infrastructure Enhancement Allocations												71 000	100	(100)		

3. Infrastructure Grant to Provinces															
1	Elizabeth Ross Hospital	Maitliti A-Phofung	Thabo Motlatsanyana	Infrastructure	Alterations, renos and additions	13/12/2005	31/03/2011	8	67 284	59 060	12 111	7 500	2 000	Yes Yes	
2	Thebe Hospital	Maitliti A-Phofung	Thabo Motlatsanyana	Infrastructure	Alterations, renos and additions	13/12/2005	31/03/2011	8	59 745	52 424	10 754	3 500	1 500	Yes Yes	
4	Diamant Hospital	Kopanong	Xhariep	Infrastructure	Alterations, renos and additions	12/05/2005	6/05/2008	8	33 388	33 732	6 009	500	1 000	Yes Yes	
7	Bultfontein Clinic	Tokologo	Lejwelepuswa	Infrastructure	New Clinics	01/04/2009	30/06/2010	8	9 810	10 374	1 765	2 500	2 500	Yes Yes	
9	Thusanong Hospital	Maitliti	Lejwelepuswa	Infrastructure	Alterations, renos and additions	09/05/2005	15/09/2007	8	24 223	22 348	4 380	5 000	(2 000)	Yes yes	
10	Bongani Hospital	Maitliti	Lejwelepuswa	Infrastructure	Rectification of sink holes	01/04/2009	31/03/2013	8	20 000	3 261	3 600	5 000	(2 000)	Yes yes	
13	Forensic mortuaries (Sasolburg, Bethlehem, Boishabelo, Frankfort, Smithfield, Vrede, Bloemfontein)	All Districts	All Districts	Infrastructure	Mobile Clinics	24/01/2007	12/01/2008	8	4 000	0	0	9 500	(3 000)	Yes yes	
Total rehabilitat												7 000	33 500	(7 000)	

Department of Education

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	8 539 463	8 731 626	(58 057)	250 220
<i>of which:</i>				
Current payments	7 314 384	7 357 827		43 443
Transfers and subsidies	919 150	1 125 927		206 777
Payments for capital assets	305 929	247 872	(58 057)	
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	8 539 463	8 731 626	(58 057)	250 220
Executive Authority	MEC for Education			
Accounting Officer	Superintendent General : Education			
Website address	www.fsdoe.gov.za			

Aim

To provide an education system that is free, compulsory, universal and equal for all children of the Free State Province.

Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives being proposed during the 2010/2011 financial year.

Mid- year performance status

The department had to reprioritise some of the priorities in order to make funds available for service delivery as per adjustment budget allocation. As part of reprioritisation, Qids-up priority had to be discontinued; furthermore other funds were shifted from Infrastructure and Systemic Evaluation. It must therefore be noted that the original targets for this priority areas will not be met.

Adjusted Estimates of Provincial Expenditure 2010

Table 6.1 (a) Adjusted estimates per programme

Programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
1. Administration	612 716	21 573		4 657	15 260	41 490	654 206
2. Public Ordinary School Education	6 666 121	23 517		(10 031)	141 270	154 756	6 820 877
3. Independent School Subsidies	44 298						44 298
4. Public Special School Education	265 569			(2 291)	9 272	6 981	272 550
5. Further Education and Training	256 703				371	371	257 074
6. Adult Basic Education and Training	103 985			(277)	118	(159)	103 826
7. Early Childhood Development	95 738			1 800	70	1 870	97 608
8. Auxiliary and associated services	494 333	175		(13 511)	190	(13 146)	481 187
Subtotal	8 539 463	45 265		(19 653)	166 551	192 163	8 731 626
Direct charge against the Provincial Revenue Fund							
Total	8 539 463	45 265		(19 653)	166 551	192 163	8 731 626

Table 6.1 (b): Adjusted estimates per economic classification

Economic classification	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
Economic classification							
Current payments	7 314 384	23 175		(136 283)	156 551	43 443	7 357 827
Compensation of employees	6 666 435				156 551	156 551	6 822 986
Goods and Services	646 865	23 175		(136 550)		(113 375)	533 490
Interest and rent on land	1 084			267		267	1 351
Transfers and subsidies to;	919 150	22 090		174 687	10 000	206 777	1 125 927
Provinces and municipalities							
Departmental agencies and account	6 505						6 505
Foreign governments and international organisations							
Non-profit institutions	744 601	517		174 687		175 204	919 805
Households	168 044	21 573			10 000	31 573	199 617
Payments for capital assets	305 929			(58 057)		(58 057)	247 872
Buildings and other fixed structures	295 673			(60 156)		(60 156)	235 517
Machinery and equipment	9 811			2 369		2 369	12 180
Cultivated assets							
Software and other intangible assets	445			(270)		(270)	175
Specialised military assets							
Payments for financial assets							
Total	8 539 463	45 265		(19 653)	166 551	192 163	8 731 626

Table 6.1.1: Adjusted estimates - Administration

Sub programme	2010/11						
	R thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts		
1.Office of the MEC		7 222			133	133	7 355
2.Corporate Services		346 569	21 573		5 238	10 956	384 336
3.Education Management		193 884			332	3 506	197 722
4.Human Resource Development		29 676			(241)	175	29 610
5.Education Management Information Systems		35 365			(672)	490	35 183
Total		612 716	21 573		4 657	15 260	654 206
Economic classification							
Current payments		467 134			812	5 260	473 206
Compensation of employees		320 585				5 260	325 845
Goods and Services		145 787			698		146 485
Interest and rent on land		762			114		876
Transfers and subsidies to;		143 337	21 573			10 000	174 910
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises organisations							
Non-profit institutions		312					312
Households		143 025	21 573			10 000	174 598
Payments for capital assets		2 245			3 845		6 090
Buildings and other fixed structures							
Machinery and equipment		2 028			4 030		6 058
Cultivated assets							
Software and other intangible assets		217			(185)		32
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total		612 716	21 573		4 657	15 260	654 206

Table 6.1.2: Adjusted estimates - Public Ordinary School Education

Sub programme	2010/11							
	R'thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation	
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts			Other adjustments
1.Public Primary Schools		3 644 213			(2 049)	88 832	86 783	3 730 996
2.Public Secondary Schools		2 557 552	16 241		3 807	50 135	70 183	2 627 735
3.Professional Services		209 562			(11 697)	489	(11 208)	198 354
4.Human Resource Development		28 866				1 768	1 768	30 634
5.In-school Sport and Culture		23 257			(92)	46	(46)	23 211
6.Conditional Grants		202 671	7 276				7 276	209 947
Total		6 666 121	23 517		(10 031)	141 270	154 756	6 820 877
Economic classification								
Current payments		6 180 835	23 000		(134 914)	141 270	29 356	6 210 191
Compensation of employees		5 804 836				141 270	141 270	5 946 106
Goods and Services		375 915	23 000		(135 127)		(112 127)	263 788
Interest and rent on land		84			213		213	297
Transfers and subsidies to;		460 696	517		129 947		130 464	591 160
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises organisations								
Non-profit institutions		443 384	517		129 947		130 464	573 848
Households		17 312						17 312
Payments for capital assets		24 590			(5 064)		(5 064)	19 526
Buildings and other fixed structures		18 154			(2 014)		(2 014)	16 140
Machinery and equipment		6 208			(2 965)		(2 965)	3 243
Cultivated assets								
Software and other intangible assets		228			(85)		(85)	143
Land and subsoil assets								
Heritage assets								
Payments for financial assets								
Total		6 666 121	23 517		(10 031)	141 270	154 756	6 820 877

Table 6.1.3: Adjusted estimates - Independent School Subsidies

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand							
1.Primary Phase	24 534						24 534
2.Secondary Phase	19 764						19 764
Total	44 298						44 298
Economic classification							
Current payments							
Compensation of employees							
Goods and Services							
Interest and rent on land							
Transfers and subsidies to;	44 298						44 298
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	44 298						44 298
Households							
Payments for capital assets							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	44 298						44 298

Table 6.1.4: Adjusted estimates - Public Special School Education

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
1.Schools	232 570			(2 021)	8 503	6 482	239 052
2.Professional Services	32 685			(270)	769	499	33 184
3.Human Resource Development							
4.In-school Sport and Culture	314						314
Total	265 569			(2 291)	9 272	6 981	272 550
Economic classification							
Current payments	215 774			(298)	9 272	8 974	224 748
Compensation of employees	210 827				9 272	9 272	220 099
Goods and Services	4 934			(298)		(298)	4 636
Interest and rent on land	13						13
Transfers and subsidies to;	48 862			(1 701)		(1 701)	47 161
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	48 231			(1 701)		(1 701)	46 530
Households	631						631
Payments for capital assets	933			(292)		(292)	641
Buildings and other fixed structures							
Machinery and equipment	933			(292)		(292)	641
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	265 569			(2 291)	9 272	6 981	272 550

Table 6.1.5: Adjusted estimates - Further Education and Training

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
1.Conditional Grants	256 703				371	371	257 074
Total	256 703				371	371	257 074
Economic classification							
Current payments	160 750				371	371	161 121
Compensation of employees	160 750				371	371	161 121
Goods and Services							
Interest and rent on land							
Transfers and subsidies to;	95 953						95 953
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	89 473						89 473
Households	6 480						6 480
Payments for capital assets							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	256 703				371	371	257 074

Table 6.1.6: Adjusted estimates - Adult Basic Education and Training

Sub programme	2010/11						
	Main appropriation	Adjustments				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
1.Public Centres	84 448			(5)	26	21	84 469
2.Professional Services	19 537			(272)	92	(180)	19 357
3.Human Resource Development							
Total	103 985			(277)	118	(159)	103 826
Economic classification							
Current payments	103 045			(1 755)	118	(1 637)	101 408
Compensation of employees	92 459				118	118	92 577
Goods and Services	10 374			(1 695)		(1 695)	8 679
Interest and rent on land	212			(60)		(60)	152
Transfers and subsidies to;	381						381
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	381						381
Payments for capital assets	559			1 478		1 478	2 037
Buildings and other fixed structures							
Machinery and equipment	559			1 478		1 478	2 037
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	103 985			(277)	118	(159)	103 826

Table 6.1.7: Adjusted estimates - Early Childhood Development

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
1. Grade R in Public Schools	81 538				70	81 608	
2. Grade R in Community Centres	11 200					11 200	
3. Human Resource Development							
4. Pre-Grade R	3 000			1 800		4 800	
Total	95 738			1 800	70	97 608	
Economic classification							
Current payments	32 724				70	32 794	
Compensation of employees	25 924				70	25 994	
Goods and Services	6 800					6 800	
Interest and rent on land							
Transfers and subsidies to;	63 014			1 800		64 814	
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	62 940			1 800		64 740	
Households	74					74	
Payments for capital assets							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	95 738			1 800	70	97 608	

Table 6.1.8 Adjusted estimates - Auxiliary and Associated Services

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand							
1. Payments to SETA	6 505						6 505
2. Conditional Grant Projects	322 981	175		(19 892)		(19 717)	303 264
3. Special Projects	74 590			6 381		6 381	80 971
4. External Examinations	90 257				190	190	90 447
Total	494 333	175		(13 511)	190	(13 146)	481 187
Economic classification							
Current payments	154 122	175		(128)	190	237	154 359
Compensation of employees	51 054				190	190	51 244
Goods and Services	103 055	175		(128)		47	103 102
Interest and rent on land	13						13
Transfers and subsidies to;	62 609			44 641		44 641	107 250
Provinces and municipalities							
Departmental agencies and account	6 505						6 505
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	55 963			44 641		44 641	100 604
Households	141						141
Payments for capital assets	277 602			(58 024)		(58 024)	219 578
Buildings and other fixed structures	277 519			(58 092)		(58 092)	219 427
Machinery and equipment	83			68		68	151
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	494 333	175		(13 511)	190	(13 146)	481 187

Details of adjustments to Estimates of Provincial Expenditure 2010

Roll-overs – R45.265 million

Programme 1: Administration

An amount of R21.573 million was received as a rollover for bursaries to learners at tertiary institutions.

Programme 2: Public Ordinary School Education

An amount of R15.724 million was received as rollover for outstanding learning and teaching support material commitments from 2009/10 financial year.

An amount of R0.517 million was received as rollover to finalised capital infrastructure projects.

An amount of R7.276 million was received as roll over for National School Nutrition Programme in relation to the outstanding commitments from 2009/10 financial year.

Programme 8: Auxiliary and Associated Services

An amount of R0.175 million was received as rollover for HIV/Aids Grant in respect of outstanding commitments from 2009/10 financial year.

Virements and shifts

Table 6.2: Details on virements and shifts within a department

FROM			TO:		
Programme by Economic Classification	Motivation	R'thousand	Programme by Economic Classification	Motivation	R'thousand
1.Administration		(5123)	1.Administration		9 780
Current Expenditure		(2850)	Current Expenditure		7 797
Goods & Services	Saving under various items	(1 912)	Goods & Services	Shortfall for: travel and subsistence GG-vehicles	683
	Savings under computer equipment towards Audit Fees	(388)		Shortfall for Audit fees	7 000
	Funds for technical staff transferred to the Department of Public Works and Rural Development	(550)	Interest & Rent on land	Shortfall for, interest on photocopiers	114
Capital Expenditure		(2 273)	Capital Expenditure		1 983
Finance leases	Funds for technical staff transferred to the Department of Public Works and Rural Development	(50)	Goods & Services (Machinery & Equipment)	Shortfall for, rental of photocopiers	389
Machinery & Equipment	Amounts under computer equipment suspended towards Audit Fees	(2 038)	Machinery & Equipment	Shortfall for, office furniture, audio visual equipment and computers	1 594
Software and other intangible assets	Saving under software towards computer equipment	(185)			
Percentage of programme budget		0.83%			
2.Public Ordinary School Education		(161 742)	2.Public Ordinary School Education		151 711
Current Expenditure		(137 523)	Current Expenditure		3 213
Goods & Services	Savings under GG-vehicles to Programme: administration	(452)	Goods & Services	Shortfall for norms and standards funding	3 000
	Savings under various items towards Hostels to host learners attending Winter classes	(6 441)	Interest & Rent on land	Shortfall for, interest on photocopiers	213
	Savings under Food & Food supplies	(112 000)			
	Saving under various items towards spring classes	(4 100)			
	Savings under various items	(535)			
	Funds surrender to Department of sport	(1 000)			
	Funds for technical staff transferred to the Department of Public Works and Rural Development	(600)			
	Savings under LTSM to service delivery	(10 000)			
	Savings under Qids up and computer equipment towards Norms and Standards	(2 395)			

FROM			TO:		
Programme by Economic Classification	Motivation	R'thousand	Programme by Economic Classification	Motivation	R'thousand
Current Transfers and Subsidies			Current Transfers and Subsidies		
					129 947
			Non-profit institutions	Shortfall for feeding , honorarium and gas/cooking fuel.	112 000
				Shortfall for agri- cultural schools	10 747
				Shortfall for spring classes	4 100
				Shortfall for norms and standards funding	3 100
Capital Expenditure			Capital Expenditure		
		(24 219)			18 551
Buildings and Fixed Structures	Correction of items according to Standard Chart of Accounts	(17 704)	Goods & Services (Buildings & Fixed Structures)	Correction of items according to Standard Chart of Accounts	17 704
	Funds for technical staff transferred to the Department of Public Works and Rural Development	(453)	Goods & Services (Machinery & Equipment)	Shortfall for, rental of photocopiers	322
	Savings under capital projects towards Agricultural Schools	(1 507)		Shortfall for, rental of computers	525
	Savings under Qids up towards Norms and standard Funding	(54)			
Machinery & Equipment	Savings under computer hardware & systems	(525)			
	Saving towards Norms and standards school funding	(3 566)			
	Saving towards Audit Fees	(325)			
Software and other Intangible assets	Savings towards Norms and Standards	(85)			
Percentage of programme budget		-2.43%			
4.Public Special School Education			4.Public Special School Education		
		(2 291)			
Current Expenditure			Current Expenditure		
		(130)			
Goods & Services	Saving under travel & subsistence: GG-Vehicles	(100)			
	Saving under computer equipment towards Audit Fees	(30)			
Current Transfers and Subsidies			Current Transfers and Subsidies		
		(1 701)			
Non-profit institutions	Savings towards Agri- cultural Schools	(1 701)			
Capital Expenditure			Capital Expenditure		
		(460)			
Machinery & Equipment	Savings under computer equipment towards Audit Fees	(460)			
Percentage of programme budget		0.86%			

FROM			TO:		
Programme by Economic Classification	Motivation	R'thousand	Programme by Economic Classification	Motivation	R'thousand
6.Adult Basic Education and Training		(423)	6.Adult Basic Education and Training		146
Current Expenditure		(324)	Current Expenditure		60
Goods & Services	Saving under travel & subsistence: GG-Vehicles	(131)	Goods and Services	Shortfall on various items	60
	Saving under various items towards rental of photocopiers	(86)			
	Savings under computer equipment towards Audit Fees	(47)			
Interest & Rent on land	Saving under interest towards various items under goods & services	(60)			
Capital Expenditure		(99)	Capital Expenditure		86
Machinery & Equipment	Savings under computer equipment towards Audit Fees	(99)	Goods & Services (Machinery & Equipment)	Shortfall for, rental of photocopiers	86
Percentage of programme budget		0.41%			
7. Early Childhood Development			7. Early Childhood Development		1 800
Current Transfers and Subsidies			Current Transfers and Subsidies		1 800
			Non-profit institutions	Shortfall on EPWP Pre-Grade R	1 800
Percentage of programme budget					1.88%
8.Auxiliary and Associated Services		(335 675)	8.Auxiliary and Associated Services		322 164
Current Expenditure		(21)	Current Expenditure		
Goods & Services	Saving under datelines	(4)			
	Savings under computer equipment towards Audit Fees	(17)			
Current Transfers and Subsidies			Current Transfers and Subsidies		6 441
			Non-profit institutions	Hostel support towards winter classes	6 441
Capital Transfers and Subsidies			Capital Transfers and Subsidies		38 200
			Non-profit institutions	Shortfall on various Infrastructure projects	38 200
Capital Expenditure		(335 654)	Capital Expenditure		277 523
Buildings and Fixed Structures	Corrections according to Standard Chart of Accounts	(277 519)	Goods & Services (Machinery & Equipment)	Shortfall for, rental of photocopiers	4
Goods & Services (Buildings and Fixed Structures)	Savings on various projects towards Capital Infrastructure transfer projects	(38 200)	Goods & Services (Buildings and Fixed Structures)	Corrections according to Standard Chart of Accounts	277 519
	Savings on various projects towards Audit Fees	(3 553)			
	Savings on various projects towards EPWP	(1 800)			
	Savings on various projects towards Agricultural Schools	(7 539)			
	Savings on various projects towards Infrastructure Enhancement Savings	(7 000)			
Machinery and Equipment	Savings under computer equipment towards Audit Fees	(43)			
Percentage of programme budget		11.70%			
Total		505 254			485 601

Shifting of funds towards lease payments

Due to the fact that Responsibility Managers did not budget sufficiently for finance leases, shifting of funds was required to correct the respective budgets as follows:

From: Programme 1: Administration, Current projects, Goods and Services, R0.492 million; Capital projects, Software and other intangible assets, R0.011 million.

To: Programme 1: Administration, Current projects, Interest and Rent on land, R0.114 million; Capital projects, Goods & Services, R0.389 million.

From: Programme 2: Public Ordinary School Education, Current projects, Goods and Services R0.535 million and Capital projects, Machinery & Equipment, R0.525 million.

To: Programme 2: Public Ordinary School Education, Current projects, Interest and Rent on land, R0.213 million; Capital projects, Goods & services, R0.847 million.

From: Programme 6: Adult Basic Education and Training, Current projects, Goods and Services, R0.086 million; Current Projects, Interest and Rent on land, R0.060 million.

To: Programme 6: Adult Basic Education and Training, Capital Projects, Goods and Services, R0.086 million; Current projects, Goods and Services, R0.060 million.

From: Programme 8: Auxiliary and Associated Services, Current projects, Goods and Services, R0.004 million.

To: Programme 8: Auxiliary and Associated Services, Capital projects, Goods and Services, R0.004 million.

Shifting of funds towards shortfall on capital assets

Funds needed to be shifted to purchase computers, audiovisual equipment and office furniture.

From: Programme 1: Administration, Current projects, Goods and Services, R1.420 million; Capital projects, Software and other intangible assets, R0.174 million

To: Programme 1 Administration, Capital projects, Machinery and Equipment, R1.594 million

Shifting of funds between programmes towards GG-Vehicles

Provision was made under different programmes for the above expenditure however expenditure was only incurred under Programme 1: Administration. As a result funds were shifted as follows:

From: Programme 2: Public Ordinary School Education, Current projects, Goods and Services R0.452 million.

From: Programme 4: Public Special School Education, Current projects, Goods and Services, R0.100 million.

From: Programme 6: Adult Basic Education and Training, Current projects, Goods and Services, R0.131 million.

To: Programme 1: Administration, Current projects, Goods and Services, R0.683 million.

Increase of transfer payments and subsidies

When the main budget was prepared provision was made for extra tuition in the form of Spring and Winter classes under current projects, goods and services but it was realised that funds need to be transferred to hosting schools for accommodation, transport and meals for the learners who resided in the hostels during the Winter and Spring classes.

From: Programme 2: Public Ordinary School Education, Current Expenditure, Goods and Services R10.541 million.

To: Programme 2: Public Ordinary School Education, Current transfer projects, R4.100 million

To: Programme 8: Auxiliary and Associated Services, Current transfer projects, R6.441 million.

Increase of transfer payments and subsidies

Feeding, honorarium and gas/cooking fuel for the NSNP was initially budgeted under goods and services due to the fact that the Responsibility Manager was cautious as a memorandum of understanding was not yet signed.

From: Programme 2: Public Ordinary School Education, Current projects, Goods and Services, R112 million.

To: Programme 2: Public Ordinary School Education, Current transfer projects, Non-profit institutions, R112 million.

Shifting of funds towards capital infrastructure projects

Due to changes in the Standard Chart of Accounts (SCOA), the classification of capital infrastructure projects had to be changed, the shifting of funds was required to correct the respective spending items as follows:

From: Programme 2: Public Ordinary School Education: Capital Projects, Buildings and Fixed Structures, R17.704 million

To: Programme 2: Public Ordinary School Education: Capital Projects, Goods and Services, R17.704 million.

From: Programme 8: Auxiliary and Associated Services: Capital Projects, Buildings and Fixed Structures, R277.519 million.

To: Programme 8: Auxiliary and Associated Services: Capital Projects, Goods and Services, R277.519 million.

Shifting of funds from savings under Infrastructure towards Audit Fees, EPWP Pre-Grade R and Agricultural Schools

From: Programme 1: Administration: Current Projects, Goods & Services, R0.388 million, Capital Projects, Machinery and Equipment, R2.038 million.

From: Programme 2: Public Ordinary School Education: Capital Projects, Buildings and Fixed structures, R1.507 million and Software and other intangible assets, R0.325 million

From: Programme 4: Public Special School Education: Current Projects, Goods and Services, R0.030 million; Capital Transfer Projects, Non profit institutions, R1.701 million; Capital Projects, Machinery and equipment, R0.460 million.

From: Programme 6: Adult Basic Education and Training: Current Projects, Goods and Services, R0.047 million and Capital Projects, Machinery and equipment, R0.099 million.

From: Programme 8: Auxiliary and Associated Services: Current Projects, Goods and Services, R0.017 million; Capital Projects, R51.135 million

To: Programme 1: Administration: Current Projects, R7 million

To: Programme 2: Public Ordinary School Education: Current Transfer payments, R10.747 million.

To: Programme 7: Early Childhood Development: Current Transfer payments, R1.800 million.

To: Programme 8: Auxiliary and Associated Services: Capital Transfer payments, R38.200 million.

Shifting of savings towards Infrastructure Enhancement and Norms and Standard funding and service delivery

From: Programme 2: Public Ordinary School Education: Current Projects, R12.395 million, Capital Projects, Buildings and fixed structures, R0.054 million, Machinery and equipment R3.566 million and Software and other intangible assets R0.085 million.

From: Programme 8: Auxiliary and Associated Services: Capital Projects, Goods and Services R7 million.

To: Programme 2: Public Ordinary School Education: Current Project, R3 million, Current Transfer project, R3.100 million

To: Service Delivery R10 million

To: Surrender Funds: R7 million

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA and Treasury Regulation 6.5

An amount of R1.653 million was transferred to the Department of Public Works and Rural Development from savings under Programme 1: Administration R0.600 million and Programme 2: Public Ordinary School Education R1.053 million.

An amount of R1 million was suspended towards the Department of Sport, Arts, Culture and Recreation for public viewing areas from savings under Programme 2: Public Ordinary School Education.

Other adjustments – R166.551 million

Compensation of employees – R156.551 million

The department received an additional allocation of R156.551 million for compensation of employees due to the higher than anticipated general salary increase in the current financial year. A projected increase of 5.3 per cent for compensation of employees was provided for in the main appropriation while the salary negotiation resulted in actual increase of 7.5 per cent throughout, as well as an increase of R300 on Home Owners Allowance.

The table below indicated the allocation of improvement on condition of service per programme.

Programme	Compensation of employees
	R'000
1.Administration	5 260
2.Public Ordinary School Education	141 270
3.Independent School Subsidies	
4.Public Special School Education	9 272
5.Further Education and Training	371
6.Adult Basic Education and Training	118
7.Early Childhood Development	70
8.Auxiliary and Associated Services	190
Total	156 551

Transfers to households – 10.000 million

An additional amount of R10.000 million has been allocated to cover the shortfall on Provincial bursaries.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 6.3 Expenditure trends

Programme	2009/10					2010/11		
	Adjusted appropriation	Expenditure outcome		Apr 09 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Preliminary expenditure		
Apr 2009 - Sep 2009		Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2010 - Sep 2010			Apr 10 - Sep 10 % of adjusted appropriation		
R thousand								
1.Administration	536 004	237 363	44.28%	614 219	114.59%	654 206	230 650	35.26%
2.Public Ordinary School Education	6 164 767	2 750 212	44.61%	6 034 873	97.89%	6 820 877	3 220 261	47.21%
3.Independent school subsidies	41 017	25 864	63.06%	44 595	108.72%	44 298	21 076	47.58%
4.Public Special School Education	247 065	108 250	43.81%	244 845	99.10%	272 550	127 008	46.60%
5.Further Education and Training	209 459	143 396	68.46%	220 809	105.42%	257 074	130 678	50.83%
6.Adult Basic Education and Training	136 237	48 407	35.53%	106 842	78.42%	103 826	44 591	42.95%
7.Early Childhood Development	82 122	51 998	63.32%	77 151	93.95%	97 608	48 505	49.69%
8.Auxiliary and associated services	505 261	324 868	64.30%	502 876	99.53%	481 187	113 409	23.57%
Subtotal	7 921 932	3 690 358	46.58%	7 846 210	99.04%	8 731 626	3 936 178	45.08%
Direct charge against the Provincial Revenue Fund								
Total	7 921 932	3 690 358	46.58%	7 846 210	99.04%	8 731 626	3 936 178	45.08%
Economic classification								
Current payments	6 813 681	2 951 463	43.32%	6 674 254	97.95%	7 357 827	3 370 193	45.80%
Compensation of employees	6 209 003	2 705 970	43.58%	6 094 271	98.15%	6 822 986	3 214 635	47.11%
Goods and services	603 826	245 436	40.65%	579 160	95.92%	533 490	155 401	29.13%
Interest and rent on land	852	57	6.69%	749	87.91%	1 351	157	11.62%
Financial transactions in assets and liabilities	-	-	-	74	-	-	-	-
Transfers and subsidies	668 648	452 042	67.61%	734 023	109.78%	1 125 927	527 583	46.86%
Provinces and municipalities								
Departmental agencies and accounts	5 820		0.00%	5 820	100.00%	6 505	6 505	100.00%
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	592 747	426 947	72.03%	591 358	99.77%	919 805	498 206	54.16%
Households	70 081	25 095	35.81%	136 845	195.27%	199 617	22 872	11.46%
Payments for capital assets	439 603	286 853	65%	437 933	99.62%	247 872	38 402	15.49%
Buildings and other fixed structures	430 924	285 488	66.25%	426 012	98.86%	235 517	36 326	15.42%
Machinery and equipment	8 619	1 269	14.72%	11 825	137.20%	12 180	2 076	17.04%
Specialised military assets								
Cultivated assets								
Software and other intangible assets	60	96	160.00%	96	160.00%	175		0.00%
Land and subsoil assets								
Payments for financial assets								
Total	7 921 932	3 690 358	46.58%	7 846 210	99.04%	8 731 626	3 936 178	45.08%

Main expenditure trends for the first half of the 2010/11 financial year

The expenditure in the first six months of 2009/10 amounted to R3.690 million or 46.58 per cent of the adjusted appropriation of R7.922 billion against spending of R3.936 million or 45.08 per cent of the adjusted appropriation of R8.732 billion in the 2010/11 financial year.

The main decreases related to spending against goods and services, transfer payments to non-profit institutions and spending against Buildings and Fixed Structures.

Spending by Programme

Programme 1: Administration

The main reason for the 9.02 per cent lower spending in the 2010/11 financial year is the increase under households from an adjusted budget of R46.406 million in 2009/10 to R164.598 million in 2010/11. The increase is the shifting of the function of all Provincial bursaries towards Tertiary Institutions to this Department, which will only be paid out in the fourth quarter of the 2010/11 financial year.

Programme 2: Public Ordinary school Education

The main reason for the 2.93 per cent higher spending in the 2010/11 financial year is the increase in spending against compensation of employees, which increased with R492 million between 2009/10 and 2010/11 for the period 1 April to 30 September.

Programme 3: Independent School Subsidies

The decrease in the 2010/11 spending is mainly due to a drop in learner numbers in Independent Schools.

Programme 4: Public Special School Education

The main reason for the 2.79 per cent higher spending in the 2010/11 financial year is the increase in spending against compensation of employees, which increased with R16 million between 2009/10 and 2010/11 for the period 1 April to 30 September.

Programme 5: Further education and Training

The adjusted budget increased by R47.617 million from 2009/10 to 2010/11. The lower spending in the 2010/11 financial year is mainly due to the fact that actual spending incurred during the 2009/10 financial year, whilst the allocation to this programme is a conditional grant in the 2010/11 financial year of which 50 per cent has been transferred in accordance to the funds received from National Treasury.

Programme 6: Adult Basic Education and Training

The main reason for the increase in the 2010/11 financial year's spending of 7.42 per cent is that compensation of employees has been reduced with 32.411 million between 2009/10 and 2010/11.

Programme 7: Early Childhood Development

The lower spending of 13.63 per cent is due to R5.604 million transfer payments paid less to Public Schools and Community Centres in the 2010/11 financial year. Payments are only done based on full compliance from these educational institutions.

Programme 8: Auxiliary and Associated Services

The large variance in spending between 2009/10 and 2010/11 is due to the slow spending against Buildings and Fixed Structures especially infrastructure. The spending of R36 million is recorded against a total budget of R235.567 million against this item.

Spending by Economic Classification

Current payments

The low spending of 29.13 per cent against Goods and Services is due the change in the SCOA definitions whereby capital projects are also included in Goods and Services in the 2010/11 financial year. Spending on capital projects is currently low.

Transfer Payments

Spending against transfer payments for the period April to September 2010 is at 46.86 per cent. The reason for the lower spending is that a balance of R 138.425 million will be spent in the fourth quarter towards Provincial bursaries to Tertiary Institutions.

Payments for capital assets

The low spending of 15.31 per cent is due to the slow spending against Buildings and Fixed Structures. A spending of R36 million is recorded against a total budget of R235.567 million against this item.

Departmental receipts

Table 6.4 Departmental receipts

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2010	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr10 - Sep 10 % of adjusted estimate
Departmental receipts	15 738	6 271	39.85%	12 836	81.56%	15 072	15 201	7 542	49.62%
Tax receipts									
Sales of goods and services other than Transfers received	10 131	4 340	42.84%	8 955	88.39%	9 347	9 347	4 860	52.00%
Fines, penalties and forfeits	15	167	1113.33%	308	2053.33%	15	144	144	100.00%
Interest, dividends and rent on land	1 182	193	16.33%	577	48.82%	1 200	1 200	142	11.83%
Sales of capital assets									
Financial transactions in assets and liabilities	4 410	1 571	35.62%	2 996	67.94%	4 510	4 510	2 396	53.13%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	15 738	6 271	39.85%	12 836	81.56%	15 072	15 201	7 542	49.62%

Changes to transfers and subsidies, including conditional grants

Table 6.5: Summary of changes to transfers and subsidies per programme

R thousand	2010/11					Adjusted appropriation	
	Main appropriation	Adjustment appropriation					
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		Total adjustment appropriation
1. Administration	143 337	21 573			10 000	31 573	174 910
School Support (Oth Educ Intit)	312						312
H/H Empl Social Benefit - Leave Gratuity	967						967
H/H: Bursaries (Non employees)	141 568	21 573			10 000	31 573	173 141
H/H: Claims against state (Cash)	450						450
H/H: Donations&Gifts (Cash)	40						40
2. Public Ordinary School Education	460 696	517		129 947		130 464	591 160
Section 21 Schools: LTSM	147 527						147 527
Section 21 Schools: Utilities	190 749						190 749
Section 21 Schools: Maint	4 009						4 009
School Support (Oth Educ Intit)	101 099	517		129 947		130 464	231 563
H/H Empl Social Benefit - Leave Gratuity	17 312						17 312
3. Independent School Subsidies	44 298						44 298
School Support (Oth Educ Intit)	44 298						44 298
4. Public Special School Education	48 862			(1 701)		(1 701)	47 161
School Support (Oth Educ Intit)	48 231			(1 701)		(1 701)	46 530
H/H Empl Social Benefit - Leave Gratuity	631						631
5. Further Education and Training	95 953						95 953
School Support (Oth Educ Intit)	89 473						89 473
H/H: Bursaries (Non employees)	6 480						6 480
6. Adult Basic Education and Training	381						381
H/H Empl Social Benefit - Leave Gratuity	381						381
7. Early Childhood Development	63 014			1 800		1 800	64 814
School Support (Oth Educ Intit)	62 940			1 800		1 800	64 740
H/H Empl Social Benefit - Leave Gratuity	74						74
8. Auxiliary and Associated Services	62 609			44 641		44 641	107 250
Skills development levy	6 505						6 505
School Support (Oth Educ Intit)	55 963			44 641		44 641	100 604
H/H Empl Social Benefit - Leave Gratuity	141						141
Total transfers and subsidies	919 150	22 090		174 687	10 000	206 777	1 125 927

Table 6.6: Summary of changes to conditional grants :Provinces

R thousand	2010/11					Adjusted appropriation
	Main appropriation	Adjustment appropriation			Total adjustment appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	
2. Public Ordinary School Education	202 671	7 276				209 947
National School Nutrition Programme	195 194	7 276				202 470
Technical Secondary Schools Recapitalization Grant	7 477					7 477
5. Further Education and Training	256 703					256 703
Further Education and Training Sector Grant	256 703					256 703
8. Auxiliary and Associated Services	322 981	175		(19 892)		303 264
HIV/Aids	10 866	175				11 041
Infrastructure Grant to Province	219 650					219 650
Infrastructure Enhancement	92 465			(19 892)		72 573
Total conditional grant: Province	782 355	7 451		(19 892)		769 914

Table 6.7 Revised Infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professionals fees budget	Consistent budget	ADJUSTMENT	ADJUSTMENT APPROPRIATION	Captured on EPR&E Yes/No	EPWP Yes/No
						Date: Start	Date: Finish									
1	Bloemfontein: Matla Phase II	Mangaung	Matheo	Infrastructure Grant to Provinces (IGP)	Phase II of new school: Admin, Media centre, Hall, etc.	May-10	Mar-12	2010/4	22 000		1 000	500	1 500	1 500	No	No
2	Sasolburg: Kopanang Thuto Phase I & II	Metamabol	Fezile Dabi	Infrastructure Grant to Provinces (IGP)	Construction of new school with 24 CR, 48 toilets, 1 Admin block, 1 Hall, 1 Media Centre	Aug-07	Mar-12	2010/4	35 000		1 000	500	-1 500	1 500	Yes	No
3	Sasolburg: Kaihobotha-Sakubusha Phase I & II	Metamabol	Fezile Dabi	Infrastructure Grant to Provinces (IGP)	Phase II of new school: Admin, Media centre, Hall, etc.	Apr-07	Mar-12	2010/4	35 000		1 000	500	-1 500	1 500	Yes	No
4	Virginia: Phakamsanang Phase I & II	Majhabeng	Lajwaleputswa	Infrastructure Grant to Provinces (IGP)	Construction of new school with 24 CR, 48 toilets, 1 Admin block, 1 Hall, 1 Media Centre	Aug-07	Mar-12	2010/4	35 000		2 500	500	-	3 000	Yes	No
5	Wesselsbron: Ipateleng Phase I & II	Nala	Lajwaleputswa	Infrastructure Grant to Provinces (IGP)	Construction of new school with 24 CR, 48 toilets, 1 Admin block, 1 Hall, 1 Media Centre	Apr-07	Mar-12	2010/4	35 000		1 000	500	-1 500	1 500	Yes	No
6	Bullfontein: Nthuluzelo (Phase II)	Tswelopele	Lajwaleputswa	Infrastructure Grant to Provinces (IGP)	Phase II of new school: Admin, Media centre, Hall, 10 Add CR's etc.	Feb-09	Mar-12	2010/4	35 000		1 000	500	-1 500	1 500	Yes	No
7	Bloemfontein: Grassland P/S	Mangaung	Matheo	Infrastructure Grant to Provinces (IGP)	Mobile school: 20CR, Admin, Toilets, Fence	Dec-09	Jul-10	2010/4	3 384	2 384		1 000	-	1 000	Yes	No
8	Parys: Bopa Seljhaba P/S	Ngwathe	Fezile Dabi	Infrastructure Grant to Provinces (IGP)	New School: 26CR, hall, media centre, admin block, toilets etc.	May-10	Mar-12	2010/4	30 000		2 500	1 000	-6 500	3 500	Yes	No
9	Bothaville: Letlolo Naledi P/S	Nala	Lajwaleputswa	Infrastructure Grant to Provinces (IGP)	New School: 30CR, hall, media centre, admin block, toilets etc.	May-10	Mar-12	2010/4	34 000		2 000	1 000	-6 000	3 000	Yes	No
10	Bloemfontein: Kamohelo P/S	Mangaung	Matheo	Infrastructure Grant to Provinces (IGP)	New School: 26CR, hall, media centre, admin block, toilets etc.	May-10	Mar-12	2010/4	30 000		2 000	6 000	5 000	8 000	Yes	No
11	Harrismit: Makgobis/keeng P/S	Maluti-a-Phofung	Thabo Mofutsanyane	Infrastructure Grant to Provinces (IGP)	New Mobile school: 10CR, Admin, Toilets, Fence	May-10	May-11	2010/4	3 000			3 000	-	3 000	Yes	No
12	Fezile Dabi P/taoing project	Fezile Dabi District Municipality	Fezile Dabi	Infrastructure Grant to Provinces (IGP)	Design & Build of 4 new schools & 1 Upgrade & Renovation	Jun-08	May-10	2010/4	194 869	191 969	312	1 710	-978	2 022	Yes	No
13	Thabo Mofutsanyane P/taoing project	Thabo Mofutsanyane Municipality	Thabo Mofutsanyane	Infrastructure Grant to Provinces (IGP)	Design & Build of 4 new schools & 1 Upgrade & Renovation	Jun-08	May-10	2010/4	202 124	169 061	798	29 366	1 664	30 164	Yes	No
14	Matheo & Lajwaleputswa P/taoing project	Matheo District Municipality	Matheo	Infrastructure Grant to Provinces (IGP)	Design & Build of 3 new schools & 2 Upgrade & Renovations	Jun-08	Jun-10	2010/4	189 896	181 053	736	10 969	6 205	11 705	Yes	No
Total New replacement assets									884 373	544 467	15 846	57 045	-5 109	72 891	-	-

Table x8 Revised Infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Completed on IRM	Total project cost	Expenditure to date from previous years	Profiled amount budget	Constant amount budget	ADJUSTMENT APPROPRIATION	Captured on EPR&E Yes/No
						Date: Start	Date: Finish							
2. Upgrades and additions (R thousand)														
1	Toilet blocks	Whole province	Free State	Infrastructure Enhancement	Toilet blocks to 42 schools	May-10	Mar-11	2010/4	4 053		3 553	3 553	-4 053	No
2	Ficksburg: Marallaneng S/S	Seiselo	Thabo Mofutsanyane	Infrastructure Enhancement	Hall	May-10	Mar-11	2010/4	7 000		1 500	1 500	-4 500	No
3	Unacceptable structures	Whole province	Free State	Infrastructure Enhancement	Upgrade / Additional facilities to 9 special schools	May-10	Mar-11	2010/4	20 000		4 000	4 000	-10 863	No
4	Oxevies: Leidslo P/S	Mellisa-Phofung	Thabo Mofutsanyane	Infrastructure Enhancement	Upgrade to Full Service School	Jan-08	Jun-09	2010/4	6 038	4 372	800	800	-866	No
5	Administration Blocks	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	10 New admin blocks	May-10	Mar-11	2010/4	180 000		7 000	7 000	-16 100	No
6	Additional classrooms	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	48 Additional CRs to 8 schools	May-10	Mar-11	2010/4	215 000		7 500	7 500	-27 800	No
7	Toilet blocks	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Toilet blocks to 42 schools	May-10	Mar-11	2010/4	145 000		2 853	2 853	-3 097	No
8	Final accounts and final fees	Motheo District Municipality	Motheo	Infrastructure Grant to Provinces (IGP)	Completion of various old projects	Apr-10	Mar-11	2010/4	30 000		12 000	4 863	-3 336	No
9	ECD	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Conversion of existing / prelab/ mobile Cr for ECD	May-10	Mar-11	2010/4	115 000		9 510	9 510	1 100	No
10	Special Schools	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Upgrading / Additions to 9 special schools	May-10	Mar-11	2010/4	77 000		8 000	3 000	852	No
Total Upgrades and additions									799 091	4 372	43 933	62 060	-88 463	102 300
3. Rehabilitation, renovations and refurbishments (R thousand)														
1	VIP Sanitation	Whole province	Free State	Equitable State	Provision of 68 VIP toilets to 34 farm schools without / with less little toilets	May-10	Mar-11	2010/4	1 020		1 020	1 020	-	No
2	Mobile Units	Whole province	Free State	Equitable State	Provision of 70 mobile CRs to 34 schools	May-10	Mar-11	2010/4	6 850		4 890	4 890	-1 960	No
3	Water	Whole province	Free State	Equitable State	Provision of water to 35 schools with no water	May-10	Mar-11	2010/4	680		680	680	-	No
4	Kitchens	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Mobile kitchens / renovation to existing building for feeding scheme kitchen at 50 existing schools	May-10	Mar-11	2010/4	5 000		1 000	1 000	1 000	No
5	Kitchens	Whole province	Free State	Equitable State	Mobile kitchens / renovation to existing building for feeding scheme kitchen at 50 existing schools	May-10	Mar-11	2010/4	5 000		5 000	5 000	-	No
6	Water	Whole province	Free State	Equitable State	Provision of water to 25 schools with no water	May-10	Mar-11	2010/4	1 740		1 740	1 740	-	No
7	Stormdamages	Whole province	Free State	Equitable State	Repairs & renovations to schools with storm damages - as and when reported	Apr-10	Mar-11	2010/4	2 414		2 414	2 414	-	No
8	Stormdamages	Whole province	Free State	Infrastructure Enhancement	Repairs & renovations to schools with storm damages - as and when reported	Apr-10	Mar-11	2010/4	3 586		2 586	2 586	-1 000	No
9	Hostels	Whole province	Free State	Infrastructure Enhancement	Renovations & rehabilitation to existing hostels	May-10	Mar-12	2010/4	22 500		2 000	17 400	-3 100	No
10	Electrical repairs	Whole province	Free State	Infrastructure Enhancement	Electrical repairs to 25 existing hostels	May-10	Mar-12	2010/4	2 610		2 600	2 600	-10	No
11	Mobile Units	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Provision of 70 mobile CRs to 34 schools	May-10	Mar-11	2010/4	2 700		15 890	15 890	15 890	No
12	Hostels	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Renovations & rehabilitation to existing hostels	May-10	Mar-11	2010/4	2 700		1 200	1 200	2 700	No
Total rehabilitation, renovations and refurbishments									56 800	-	3 900	56 420	13 920	59 920

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date captured on IRM	Total project cost	Expenditure to date from previous years	Profits to budget	Const/maint budget	MAIN APPROPRIATION	ADJUSTMENT	ADJUSTMENT	ADJUSTMENT	Captured on EPR&E
						Date: Start	Date: Finish										
4. Maintenance and repairs (R thousand)																	
1	Day-to-day	Whole province	Free State	Equitable Share	Day-to-day maintenance on existing primary schools as reported	Apr-10	Mar-11	2010/4	5 215	5 215	-	5 215	-	5 215	-	-	No
2	Day-to-day	Whole province	Free State	Equitable Share	Day-to-day maintenance on existing secondary schools as reported	Apr-10	Mar-11	2010/4	4 895	4 895	-	4 895	-	4 895	-	-	No
Total Maintenance and repairs									10 110	-	-	10 110	-	10 110	-	-	-
5. Infrastructure Transfers - current																	
1	Letsema	Whole province	Free State	Equitable Share	Funds transferred to schools for beautification and maintenance on 8 existing primary schools	May-10	Aug-10	2010/4	825	-	-	825	-	825	-	-	No
2	Letsema	Whole province	Free State	Equitable Share	Funds transferred to schools for maintenance on 8 existing secondary schools	May-10	Aug-10	2010/4	825	-	-	825	-	825	-	-	No
Total Infrastructure Transfers - current									1 650	-	-	1 650	-	1 650	-	-	-
6. Infrastructure Transfers - capital																	
1	Inclusive Education	Whole province	Free State	Equitable Share	Transfer funds to schools for upgrade / additional facilities to 6 special schools	May-10	Mar-11	2010/4	6 666	6 666	-1 701	4 965	-1 701	4 965	-	-	No
2	Biofontein: Mabolola P/S	Mangaung	Motheo	Infrastructure Enhancement	Upgrade to Full Service School	Nov-10	Dec-10	2010/4	6 368	2 368	-	4 000	-	4 000	-	-	No
3	Boehabac: Seemahale S/S	Mangaung	Motheo	Infrastructure Enhancement	Completion of hall	Jul-10	Mar-12	2010/4	2 000	2 000	-	2 000	-	2 000	-	-	No
4	Luthuli: Luthuli C/S	Letsema	Xhensu	Infrastructure Enhancement	Completion of hall	May-10	Mar-12	2010/4	2 000	2 000	-	2 000	-	2 000	-	-	No
5	Anglo Gold Partnership - Theunissen: Reusamohale P/S	Mafikeng	Letsema	Infrastructure Enhancement	160 Rm, 2 computer rooms, 5 toilet blocks, garage to be provided by Anglo Gold in a R for R partnership	Mar-10	Dec-10	2010/4	4 000	4 000	-	4 000	-	4 000	-	-	No
6	Renovation & Rehabilitation	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Upgrading / Additions to 9 special schools	May-10	Mar-11	2010/4	-	-	-	3 546	-3 546	-	-	-	No
7	Fencing	Whole province	Free State	Infrastructure Enhancement	Funds transferred to schools for fencing to existing schools	Jul-10	Mar-11	2010/4	19 050	19 050	-100	18 950	-100	18 950	-	-	No
8	Fencing	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Funds transferred to schools for fencing to existing schools	Jul-10	Mar-11	2010/4	19 050	19 050	-	8 000	-	8 000	-	-	No
9	Renovation & Rehabilitation	Whole province	Free State	Equitable Share	Funds transferred to 58 schools for renovations to existing schools	Jul-10	Mar-11	2010/4	21 478	21 478	-	21 478	-	21 478	-	-	No
10	Renovation & Rehabilitation	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Funds transferred to 58 schools for renovations to existing schools	May-10	Mar-11	2010/4	3 546	3 546	-	16 546	-	16 546	-	-	No
11	Hotel - Ren. Water & Play Tr	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Funds transferred to 7 schools for renovations, provision of furniture and play areas at hostels	Nov-10	Mar-11	2010/4	8 200	8 200	-	8 200	-	8 200	-	-	No
12	Toilet Blocks Tr	Whole province	Free State	Infrastructure Grant to Provinces (IGP)	Funds transferred to 7 schools for toilet blocks/conversion of pit toilets	Nov-10	Mar-11	2010/4	4 500	4 500	-	4 500	-	4 500	-	-	No
Total Infrastructure Transfers - capital									96 858	2 368	-	99 223	37 016	99 239	-	-	-
									1 648 882	551 207	63 199	285 524	369 506	-23 036	346 170	-	-

Table 6.7 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2010/11 (TO)	Total budget 2010/11 (FROM)	Captured on EPFR&E Yes/No	EPWP Yes/No
						Date: Start	Date: Finish									
1. New and replacement assets (R thousand)																
14	Early Childhood Development	Whole province	Free State	Infrastructure Grant to Provinces (GP)	Conversion of e	May-10	Mar-11	2010/4	115 000			8 410	8 410	8 410		No
15	Special Schools	Whole province	Free State	Infrastructure Grant to Provinces (GP)	Upgrading / Add	May-10	Mar-11	2010/4	77 000			13 694	13 694	13 694		No
16	Inclusive Education	Whole province	Free State	Infrastructure Grant to Provinces (GP)	Upgrading / Add	May-10	Mar-11	2010/4	-			-	-	-		No
Total Upgrades and additions									820 125	6 740	24 500	152 889	177 389	177 389		
4. Rehabilitation, renovations and refurbishments (R thousand)																
1	VIP Sanitation	Whole province	Free State	Equitable Share	Provision of 68	May-10	Mar-11	2010/4	1 020			1 020	1 020	1 020		No
2	Mobile Units	Whole province	Free State	Equitable Share	Provision of 79	May-10	Mar-11	2010/4	6 850			6 850	6 850	6 850		No
3	Water	Whole province	Free State	Equitable Share	Provision of wat	May-10	Mar-11	2010/4	680			680	680	680		No
4	Kitchens	Whole province	Free State	Equitable Share	Mobile kitchens	May-10	Mar-11	2010/4	5 000			5 000	5 000	5 000		No
5	Water	Whole province	Free State	Equitable Share	Provision of wat	May-10	Mar-11	2010/4	1 740			1 740	1 740	1 740		No
6	Stormdamages	Whole province	Free State	Equitable Share	Repairs & renov	Apr-10	Mar-11	2010/4	2 414			2 414	2 414	2 414		No
7	Renovation & Rehabilitation	Whole province	Free State	Equitable Share	Funds transferre	Jul-10	Mar-11	2010/4	21 478			21 478	21 478	20 961		No
8	Stormdamages	Whole province	Free State	Infrastructure	Repairs & renov	Apr-10	Mar-11	2010/4	3 586			3 586	3 586	3 586		No
9	Hostels	Whole province	Free State	Infrastructure	Renovations & r	May-10	Mar-12	2010/4	22 500			22 500	22 500	22 500		No
10	Electrical repairs	Whole province	Free State	Infrastructure	Electrical repair	May-10	Mar-12	2010/4	2 610			2 610	2 610	2 610		No
11	Fencing	Whole province	Free State	Infrastructure	Funds transferre	Jul-10	Mar-11	2010/4	19 050			18 550	18 550	18 550		No
12	Renovation & Rehabilitation	Whole province	Free State	Infrastructure	Funds transferre	May-10	Mar-11	2010/4	500			500	500	500		No
13	Mobile Units	Whole province	Free State	Infrastructure Grant to Provinces (GP)	Provision of 79	May-10	Mar-11	2010/4	2 700			2 700	2 700	2 700		No
14	Hostels	Whole province	Free State	Infrastructure Grant to Provinces (GP)	Renovations & r	May-10	Mar-11	2010/4	2 700			2 700	2 700	2 700		No

Table 6.7 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2010/11 (TO)	Total budget 2010/11 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish									
									1 812 632	551 207	32 790	336 933	369 723	369 206		
15	Renovation & Rehabilitation	Whole province	Free State	Infrastructure Grant to Provinces (GP)	Funds transferred to 58 schools for renovations to existing schools	May-10	Mar-11	2010/4	3 546			3 546	3 546	3 546		No
Total rehabilitation, renovations and refurbishments																
									96 374	-	-	95 874	95 874	95 357		

Department of Social Development

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	721 690	714 837	(26 000)	19 147
Current payments	391 090	407 515		16 425
Transfers and subsidies	298 876	301 598		2 722
Payments for capital assets	31 724	5 724	(26 000)	
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	721 690	714 837	(26 000)	19 147
Executive Authority	MEC for Social Development			
Accounting Officer	Head of Social Development			
Website address	www.socdev.fs.gov.za			

Aim

To meet the human and social needs of the poor and vulnerable communities of the Free State through an inter-sectoral and integrated developmental social service.

Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives.

Adjusted Estimates of Provincial Expenditure 2010

Table 7.1(a): Adjusted Estimates

R' thousand	Programme	2010/11					Adjusted appropriation	
		Main appropriation	Adjustments Appropriation					
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		Total adjustment appropriation
	1.Administration	172 931			6 000	5 000	11 000	183 931
	2.Social Welfare Services	486 256	4 147		(6 000)	(21 000)	(22 853)	463 403
	3.Development & Research	62 503				5 000	5 000	67 503
	Subtotal	721 690	4 147			(11 000)	(6 853)	714 837

Economic classification

Table 7.1(b): Adjusted Estimates

Programme	2010/11						
	Main appropriation	Adjustments			Appropriation		
R' thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Economic classification							
Current payments	391 090			7 425	9 000	16 425	407 515
Compensation of employees	323 424				(1 000)	(1 000)	322 424
Goods and Services	66 966			7 425	10 000	17 425	84 391
Interest and rent on land	700						700
Transfers and subsidies to;	298 876	4 147		(1 425)		2 722	301 598
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	298 551	4 147		(1 500)		2 647	301 198
Households	325			75		75	400
Payments for capital assets	31 724			(6 000)	(20 000)	(26 000)	5 724
Buildings and other fixed structures	30 000			(6 000)	(20 000)	(26 000)	4 000
Machinery and equipment	1 724						1 724
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	721 690	4 147			(11 000)	(6 853)	714 837

Table 7.1.1: Adjusted Estimates - Administration

Sub programme	2010/11						
	R/ thousand	Main appropriation	Adjustments Appropriation				Adjusted appropriation
			Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Other adjustments	
1.Office of the MEC	4 602			(21)		(21)	4 581
2.Corporate management	121 475			7 309	5 000	12 309	133 784
3.District management	46 854			(1 288)		(1 288)	45 566
Subtotal	172 931			6 000	5 000	11 000	183 931
Direct charge against the Provincial Revenue Fund							
Total	172 931			6 000	5 000	11 000	183 931
Economic classification							
Current payments	171 251			6 000	5 000	11 000	182 251
Compensation of employees	127 093				(2 000)	(2 000)	125 093
Goods and Services	43 458			6 000	7 000	13 000	56 458
Interest and rent on land	700					0	700
Transfers and subsidies to;	250						250
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	250						250
Payments for capital assets	1 430						1 430
Buildings and other fixed structures							
Machinery and equipment	1 430						1 430
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	172 931			6 000	5 000	11 000	183 931

Table 7.1.2: Adjusted Estimates - Social Welfare Services

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Other adjustments		
R' thousand							
1. Professional and administrative support	9 405			(485)		(485)	8 920
2. Substance abuse, prevention and rehabilitation	14 016	508		126		634	14 650
3. Care and services to older persons	78 387	1 059		(62)		997	79 384
4. Crime prevention and support	24 655			(246)		(246)	24 409
5. Services to persons with disabilities	24 457	1 465		(41)		1 424	25 881
6. Child care and protection services	294 511			(5 757)	(20 000)	(25 757)	268 754
7. Victim empowerment	11 645	572		715	(1 000)	287	11 932
8. HIV and Aids	22 852	363		261		624	23 476
9. Care and support services to families	4 128	180		170		350	4 478
10. Social relief	2 200			(681)		(681)	1 519
Subtotal	486 256	4 147		(6 000)	(21 000)	(22 853)	463 403
Direct charge against the Provincial Revenue Fund							
Item							
Total	486 256	4 147		(6 000)	(21 000)	(22 853)	463 403
Economic classification							
Current payments	172 454			(75)	(1 000)	(1 075)	171 379
Compensation of employees	153 418				(1 000)	(1 000)	152 418
Goods and Services	19 036			(75)		(75)	18 961
Interest and rent on land							
Transfers and subsidies to;	283 600	4 147		75		4 222	287 822
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	283 535	4 147				4 147	287 682
Households	65			75		75	140
Payments for capital assets	30 202			(6 000)	(20 000)	(26 000)	4 202
Buildings and other fixed structures	30 000			(6 000)	(20 000)	(26 000)	4 000
Machinery and equipment	202						202
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	486 256	4 147		(6 000)	(21 000)	(22 853)	463 403

Table 7.1.3: Adjusted Estimates - Development and Research

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R1 thousand							
1. Professional and administrative support	6 205			(200)		(200)	6 005
2. Youth Development	21 226			868	3 000	3 868	25 094
3. Sustainable livelihood	20 589			962		962	21 551
4. Institutional capacity building and support	7 439			(424)		(424)	7 015
5. Research and demography	3 815			(1 094)		(1 094)	2 721
6. Population capacity development and advocacy	3 229			(112)	2 000	1 888	5 117
Subtotal	62 503				5 000	5 000	67 503
Direct charge against the Provincial Revenue Fund							
Total	62 503				5 000	5 000	67 503
Economic classification							
Current payments	47 385			1 500	5 000	6 500	53 885
Compensation of employees	42 913				2 000	2 000	44 913
Goods and Services	4 472			1 500	3 000	4 500	8 972
Interest and rent on land							
Transfers and subsidies to;	15 026			(1 500)		(1 500)	13 526
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	15 016			(1 500)		(1 500)	13 516
Households	10						10
Payments for capital assets	92						92
Buildings and other fixed structures							
Machinery and equipment	92						92
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	62 503				5 000	5 000	67 503

Details of adjustments to Estimates of Provincial Expenditure 2010

Roll-overs – R4.147 million

Programme 2: Social welfare Services

The roll-over will be utilised to fund the NPIs which were not funded in the previous financial year, due to various reasons, such as differences between Memorandums of Agreements and approved submissions; organisations not paid as a result of an oversight; organisations not submitting entity maintenance forms in time and payment instructions issued but payments not effected due to collapse of the server and captured data not retrieved.

Virements and shifts – R0 million net effect

Table 7.2: Details on virements and shifts within a department

Programmes Summary					
1.Administration					
2.Social Welfare Services					
3.Development and Research					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
2. Social Welfare Services: Capital payments - Buildings and other fixed structures	Savings realized as a result of problems with contractors at Thabo Mofutsanyane Secure Care Centre	(6 000)	1. Administration: Goods and Services	For payment of GG-vehicles, cell phone and telephone accounts	6 000
Percentage of programme budget		1%	Percentage of programme budget		3%
3. Development and Research: Transfer Payments	Funds cannot be transferred to some projects as a result of lack of business plans due to capacity challenges in the areas of management and basic business skills	(1 500)	3.Development and Research: Goods and Services	Funds will be used to pay for consultants to transfer skills and assist projects to develop basic business skills	1 500
Percentage of programme budget		2%	Percentage of programme budget		2%
Total		(7 500)			7 500

Other adjustments

Programme 1: Administration

Surrendered to Treasury for allocation to Medical Supplies Factory in Kroonstad (R2 000 000)
Additional funding to Goods and Services R7 000 000

Programme 2: Social Welfare Services

Communication to Department of Premier (R8 000 000)
Special projects to Department of Premier (R1 000 000)
Municipal Services Department of PW&RD (R11 000 000)
Public Viewing Areas to Department of Sport (R 1 000 000)

Programme 3: Development and Research

Additional funding to Goods and Services
2.2 per cent in ICS & Housing Allowance

R3 000 000
R2 000 000

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 7.3: Expenditure trends

R thousand	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1. Administration	179,274	74,107	41.34%	179,235	100%	183,931	83,544	45%
2. Social Welfare Services	425,672	210,881	49.54%	425,277	99.91%	463,403	211,203	46%
3. Development and Research	64,944	23,445	36.10%	61,220	94.27%	67,503	27,756	41%
Subtotal	669,890	308,433	46.04%	665,732	99.38%	714,837	322,503	45.12%
Direct charge against the Provincial Revenue Fund								
Total	669,890	308,433	46.04%	665,732	99.38%	714,837	322,503	45.12%
Current payments	384,473	156,580	40.73%	380,819	99.05%	407,515	184,219	45.21%
Compensation of employees	275,898	119,826	43.43%	270,188	97.93%	322,424	145,250	45.05%
Goods and services	108,260	36,754	33.95%	93,675	86.53%	84,391	38,969	46.18%
Interest and rent on land	315		0.00%	315	100.00%	700		
Financial transaction in assets and liabilities				16,641				
Transfers and subsidies	277,470	145,938	52.60%	272,160	98.09%	301,598	135,396	44.89%
Provinces and municipalities	14,368		0.00%	13,625				
Departmental agencies and accounts								
Universities and technikon								
Public corporations & private enterprises								
Non-profit institutions	261,403	145,475	56%	256,917	98.28%	301,198	135,147	44.87%
Households	1,699	463	27%	1,618	95.23%	400	249	62.25%
Payments for capital assets	7,947	5,915	74%	12,753	160.48%	5,724	2,888	50.45%
Buildings and other fixed structures	6,441	5,439	84%	6,441	100.00%	4,000		
Machinery and equipment	1,506	476	32%	6,312	419.12%	1,724	2,888	167.52%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Payments for financial assets								
Total	669,890	308,433	46.04%	665,732	99.38%	714,837	322,503	45.12%

Main expenditure trends for the first half of the 2010/11 financial year

Expenditure in the first six months of 2010/2011 amounted to R322.503 million or 45.12 per cent of the adjusted appropriation of R714.837 million.

The overall expenditure of the department in the first six months of 2010/2011 as compared to the same period in 2009/2010 decreased by 0.92 per cent.

Programme: 1: Administration

Expenditure in the first six months of 2010/2011 amounted to R83.544 million or 45 per cent of the adjusted appropriation of R183.931 million compared against expenditure of R74.107 million or 41 per cent of the adjusted appropriation of R179.274 million in 2009/2010. Expenditure of 41 per cent in the first six months of the previous year was very low against the benchmark of 50 per cent. In the current financial year, there is an improvement in expenditure trends.

Programme: 2: Social Welfare Services

Expenditure in the first six months of 2010/2011 amounted to R211.203 million or 46 per cent of the adjusted appropriation of R463.403 million compared against expenditure of R210.881 million or 49 per cent of the adjusted appropriation of R425.672 million in 2009/2010. The decrease in expenditure is mainly due to the late transfer of funds to NPI's.

Programme: 3: Development & Research

Expenditure in the first six months of 2010/2011 amounted to R27.756 million or 41 per cent of the adjusted appropriation of R67.503 million compared against expenditure of R23.445 or 36 per cent of the adjusted appropriation of R64.944 million in 2009/2010. The increase in expenditure can largely be attributed to the increase in the expenditure on goods and services.

Economic Classification

Current Payments

Expenditure in the first six months of 2010/2011 amounted to R184.219 million or 45 per cent of the adjusted appropriation of R407.515 million compared against expenditure of R156.580 or 41 per cent of the adjusted appropriation of R384.473 million in 2009/2010.

The increase in expenditure is due to the fact that the percentage spending on Goods and Services increased due to the decrease in the allocated budget.

Transfers and subsidies

Expenditure in the first six months of 2010/2011 amounted to R135.396 million or 45 per cent of the adjusted appropriation of R301.598 million compared against expenditure of R145.938 or 52 per cent of the adjusted appropriation of R277.470 million in 2009/2010.

The decrease in expenditure on transfer payments is mainly due to the late start of transfer funds to NPI's.

Payments for capital assets

Expenditure in the first six months of 2010/2011 amounted to R2.888 million or 50 per cent of the adjusted appropriation of R5.724 million compared against expenditure of R5.915 or 74 per cent of the adjusted appropriation of R7.947 million in 2009/2010. The expenditure on capital payments is on par at 50 per cent.

Departmental receipts

Table 7.4 Expenditure trends

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2010	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts	1 004	333	33.17%	15 176	1511.55%	1 016	1 043	797	76.41%
Tax receipts									
Sales of goods and services other than	390	177	45.38%	359	92.05%	401	401	190	47.38%
Transfers received								60	
Fines, penalties and forfeits									
Interest, dividends and rent on land	165	1	0.61%	248	150.30%	165		1	
Sales of capital assets									
Financial transactions in assets and liabilities	449	155	34.52%	14 569	3244.77%	450	642	546	85.05%
Total	1 004	333	33.17%	15 176	1511.55%	1 016	1 043	797	76.41%

Main departmental revenue trends for the first half of 2010/11

The proposed adjusted budget of R1.043 million is based on the following:

The department collected revenue of R59 982.94 through transfers received which was not budgeted for;

The budget allocated to Interest, dividend and rent on land, amounting to R165 000, is removed as revenue collected through interest is credited directly to the PRF account.

Changes to transfers and subsidies, including conditional grants

Table 7.5: Summary of changes to transfers and subsidies per programme

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustment appropriation				Total adjustment appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		
2. Social Welfare Services	283 600	4 147		75		4 222	287 822
NPI: Other non profit institutions	283 535	4 147				4 147	287 682
Households	65			75		75	140
3. Development and Research	15 016			(1 500)		(1 500)	13 516
NPI: Other non profit institutions	15 016			(1 500)		(1 500)	13 516
Total transfers and subsidies	298 616	4 147		(1 425)		2 722	301 338

		2010/11					
		Adjustment appropriation					Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	
	1. Social Welfare Services						1 704
	Extended Public Works Programme						1 704
	Total conditional grant: Province						1 704

Revised Infrastructure project list

Table 7.7 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2010/11 (TO)	Total budget 2010/11 (FROM)	Captured on EPR&E Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish									
1. New and replacement assets (R thousand)																
1	Thabo Motlatsanyane	Meluti a Phofung	Thabo Motlatsanyane	Infrastructure enhancement	Secure care	2007	2011	2	2007	24 094	117	800	30 000	4 000	Yes	No
2																
3																
Total New replacement assets																

Department of Cooperative Governance and Traditional Affairs

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	320 048	377 154		57 106
<i>of which:</i>				
Current payments	266 693	299 904		33 211
Transfers and subsidies	49 929	69 022		19 093
Payments for capital assets	3 426	7 478		4 052
Payments for financial assets		750		750
Direct charge against the Provincial Revenue Fund	320 048	377 154		57 106
Executive Authority	MEC for Cooperative Governance and Traditional Affairs & Human Settlements			
Accounting Officer	Head of the Department: Cooperative Governance and Traditional Affairs			
Website address	www.fsigh.gov.za			

Aim

Coordinated a sustainable service delivery at the Local Government level

Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives.

Adjusted Estimates of Provincial Expenditure 2010

Table 8.1(a): Adjusted Estimates

Programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R' thousand							
1. Administration	102 561			6 129	3 073	9 202	111 763
2. Local Governance	132 144			(12 170)	44 033	31 863	164 007
3. Development and Planning	61 552			1 966	10 000	11 966	73 518
4. Traditional Institutional Management	14 208			1 985		1 985	16 193
5. House of Traditional Leaders	9 583			2 090		2 090	11 673
Subtotal	320 048				57 106	57 106	377 154

Economic classification

Table 8.1(b): Adjusted Estimates

Programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virements and shifts	Other adjustments			
R' thousand							
Economic classification							
Current payments	266 693			21 138	12 073	33 211	299 904
Compensation of employees	170 343			(5 099)	3 073	(2 026)	168 317
Goods and Services	96 350			26 152	9 000	35 152	131 502
Interest and rent on land				85		85	85
Transfers and subsidies to;	49 929			(25 940)	45 033	19 093	69 022
Provinces and municipalities	45 877			(24 327)	45 033	20 706	66 583
Departmental agencies and account				1 500		1 500	1 500
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	3 300			(3 155)		(3 155)	145
Households	752			42		42	794
Payments for capital assets	3 426			4 052		4 052	7 478
Buildings and other fixed structures				2 000		2 000	2 000
Machinery and equipment	3 426			2 018		2 018	5 444
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets				34		34	34
Specialised military assets							
Payments for financial assets				750		750	750
Total	320 048				57 106	57 106	377 154

Table 8.1.1: Adjustment Estimates - Administration

Sub programme	2010/11						
	Main appropriation	Adjustments				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R' thousand							
1. Office of the MEC	9 427			(808)	(808)	8 619	
2. Corporate Services	93 134			6 937	3 073	103 144	
Subtotal	102 561			6 129	3 073	111 763	
Direct charge against the Provincial Revenue Fund							
Item							
Total	102 561			6 129	3 073	111 763	
Economic classification							
Current payments	100 947			5 003	3 073	109 023	
Compensation of employees	63 724			(230)	3 073	66 567	
Goods and Services	37 223			5 180		42 403	
Interest and rent on land				53		53	
Transfers and subsidies to;	120			104		224	
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	120			104		224	
Payments for capital assets	1 494			582		2 076	
Buildings and other fixed structures							
Machinery and equipment	1 494			582		2 076	
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets				440		440	
Total	102 561			6 129	3 073	111 763	

Table 8.1.2: Adjustment Estimates - Local Governance

Sub programme	2010/11						
	Main appropriation	Adjustments				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R' thousand							
1. Municipal Administration	79 190			(11 608)	(1 000)	(12 608)	66 582
2. Municipal Finance	52 954			(562)	45 033	44 471	97 425
Subtotal	132 144			(12 170)	44 033	31 863	164 007
Direct charge against the Provincial Revenue Fund							
Item							
Total	132 144			(12 170)	44 033	31 863	164 007
Economic classification							
Current payments	110 744			(14 406)	9 000	(5 406)	105 338
Compensation of employees	67 323			(9 547)		(9 547)	57 776
Goods and Services	43 421			(4 872)	9 000	4 128	47 549
Interest and rent on land				13		13	13
Transfers and subsidies to:	21 100			1 788	35 033	36 821	57 921
Provinces and municipalities	18 000			3 150	35 033	38 183	56 183
Departmental agencies and account				1 500		1 500	1 500
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	3 000			(3 000)		(3 000)	
Households	100			138		138	238
Payments for capital assets	300			318		318	618
Buildings and other fixed structures							
Machinery and equipment	300			318		318	618
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets				130		130	130
Total	132 144			(12 170)	44 033	31 863	164 007

Table 8.1.3: Adjusted Estimates - Development and Planning

Sub programme	2010/11					Adjusted appropriation
	Main appropriation	Adjustments			Total adjustment appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts		
RI thousand						
1. Spatial Planning	16 716			860		17 576
2. Local Economic Development (LED)	4 194			370		4 564
3. Municipal Infrastructure	36 859			(794)	10 000	46 065
4. Disaster Management	3 783			1 530		5 313
Subtotal	61 552			1 966	10 000	73 518
Direct charge against the Provincial Revenue Fund						
Item						
Total	61 552			1 966	10 000	73 518
Economic classification						
Current payments	32 065			28 418		60 483
Compensation of employees	20 191			4 780		24 971
Goods and Services	11 874			23 627		35 501
Interest and rent on land				11		11
Transfers and subsidies to;	27 987			(27 452)	10 000	10 535
Provinces and municipalities	27 877			(27 477)	10 000	10 400
Departmental agencies and account						
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households	110			25		135
Payments for capital assets	1 500			880		2 380
Buildings and other fixed structures						
Machinery and equipment	1 500			880		2 380
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
Payments for financial assets				120		120
Total	61 552			1 966	10 000	73 518

Table 8.1.4: Adjusted Estimates - Traditional Institutional Management

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R' thousand							
1. Traditional Institutional Administration	14 208			1 985		1 985	16 193
Subtotal	14 208			1 985		1 985	16 193
Direct charge against the Provincial Revenue Fund							
Item							
Total	14 208			1 985		1 985	16 193
Economic classification							
Current payments	13 632			2 010		2 010	15 642
Compensation of employees	12 028			2 000		2 000	14 028
Goods and Services	1 604			5		5	1 609
Interest and rent on land				5		5	5
Transfers and subsidies to;	472			(230)		(230)	242
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	300			(155)		(155)	145
Households	172			(75)		(75)	97
Payments for capital assets	104			165		165	269
Buildings and other fixed structures							
Machinery and equipment	104			165		165	269
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets				40		40	40
Total	14 208			1 985		1 985	16 193

Table 8.1.5: Adjusted Estimates - House of Traditional Leaders

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R' thousand							
1. Administration of House of Traditional Leaders	9 583			2 090		2 090	11 673
Subtotal	9 583			2 090		2 090	11 673
Direct charge against the Provincial Revenue Fund							
Item							
Total	9 583			2 090		2 090	11 673
Economic classification							
Current payments	9 305			113		113	9 418
Compensation of employees	7 077			(2 102)		(2 102)	4 975
Goods and Services	2 228			2 212		2 212	4 440
Interest and rent on land				3		3	3
Transfers and subsidies to;	250			(150)		(150)	100
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	250			(150)		(150)	100
Payments for capital assets	28			2 107		2 107	2 135
Buildings and other fixed structures				2 000		2 000	2 000
Machinery and equipment	28			73		73	101
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets				34		34	34
Specialised military assets							
Payments for financial assets				20		20	20
Total	9 583			2 090		2 090	11 673

Virements and shifts

Table 8.2: Details on virements and shifts within a department

Programmes Summary					
1. Administration					
2. Local Governance					
3. Development and Planning					
4. Traditional Institutional Management					
5. House of Traditional Leaders					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 2		(13,570)	Programme 1		4,700
Compensation	Saving on non-critical posts were not filled. (R8 280 000)	(8,280)	Goods and services	Audit fees: External Forensic Investigation (R2 400 000), training & staff development (R 200 000), consultancy fees Resolve Group (R 1 100 000), catering HOD (R 400 000) and contractors event promoters (R 600 000)	4,700
Goods and services	Saving on carry through cost with not filling of non critical posts. (R2 590 000) and training & staff development Programme 1 (R 200 000)	(2,790)			
Departmental agencies and accounts	Funds earmarked for Provincial games that will not take place	(1,500)	Programme 3		4,780
		(1,000)	Compensation	Filling of vacant critical post at Township Board. Development and Planning (R4 780 000)	4,780
			Programme 4		2,000
			Compensation	Provision made for increase in Traditional allowances and filling of critical vacant post	2,000
Transfer & subsidies	Assistance to the Head of Department for Catering and Contractors for Event Promoters		Programme 5		2,090
			Goods and services	Provision made for the House of Traditional Leaders on Catering, Accommodation and Travel and subsistence	1,590
			Capital	Provision made for the residence of the Paramount Chief of the House of Traditional Leaders	500
Percentage of programme budget		10.27%			
Programme 3		(2,814)	Programme 1		1,414
Goods and services	Funds to an amount of R 1 million was earmarked for printing and publication by Townships Board that will not be utilized. R154 thousand was transferred to sub-programme Human Resource Management for training and staff development. Funds were made available to District Services for Travel and Subsistence (R910 000).	(2,064)	Goods and services	Transport & subsistence fees District Services (R 910 000), training & staff development (R 154 000)	1,064
			Machinery and equipment	Funds to be utilized office furniture and equipment with the filling of critical vacant posts	350
Transfer & subsidies		(400)			
	Transfer from MIG to Programme 2, Municipal Policy Development for Printing & publication services		Programme 2		1,400
Machinery and equipment	Funds earmarked for motor vehicle by Municipal Infrastructure sub-programme that will not be utilized	(350)	Goods and services	Transfer from MIG TO Municipal Policy Development for printing & publication	400
			Transfer & subsidies	Financial Assistance to municipalities in distress	1,000
Percentage of programme budget		5%			
Programme 4		(15)	Programme 1		15
Goods and services	Earmarked for training and staff development under sub-programme Human Resource Management	(15)	Goods and services	Training & staff development Programme 1	15
Percentage of programme budget		0%			
Total		(16,399)			16,399

Other adjustments: R57.106 million**Programme 1: Administration R3.073 million**

- R3.073 million – Adjustment to cover shortfalls in compensation of Employees Cost due to higher than anticipated wage increases.

Programme 2: Local Governance R44.033 million

- R1.000 million – Transferred to the Department of Sport, Arts, Culture and Recreation for public viewing areas.
- R15.000 million – Transferred to the Local Municipalities for financial assistance and clean audit.
- R5.000 million – Transferred to the Local Municipalities for payment of transversal projects at Municipalities in terms of Case Ware, Soft ware and Licence fees.
- R17.033 million – Transferred to the Local Municipalities of Masilonyana to an amount of R10.000 million and to Xhariep to an amount of R7 033 million for financial assistance.
- R5.000 million – Transferred to the Local Municipalities of Matjhabeng and Moqhaka for financial assistance
- R3.000 million – Transferred to the Mangaung Municipality for salaries of 100 workers with regards to Operation Hlasela.

Programme 3: Development and Planning R10.000 million

- R10.000 million – Transferred to the Local Municipality of Dihlabeng for the funding of the Paul Roux Stadium.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 8.3 Expenditure trends

R thousand	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1. Administration	100,135	42,093	42.04%	99,798	99.66%	111,763	50,577	45.25%
2. Local Governance	105,270	40,595	38.56%	105,136	99.87%	164,007	76,584	46.70%
3. Development and Planning	62,770	11,273	17.96%	62,500	99.57%	73,518	40,201	54.68%
4. Traditional Institutional Management	23,149	10,447	45.13%	23,088	99.74%	16,193	7,983	49.30%
5. House of Traditional Leaders						11,673	4,264	36.53%
Subtotal	291,324	104,408	35.84%	290,522	99.72%	377,154	179,609	47.62%
Direct charge against the Provincial Revenue Fund								
Total	291,324	104,408	35.84%	290,522	99.72%	377,154	179,609	47.62%
Current payments	237,226	86,416	36.43%	236,551	99.72%	299,904	130,595	43.55%
Compensation of employees	139,949	65,045	46.48%	139,612	99.76%	168,317	76,975	45.73%
Goods and services	96,938	21,131	21.80%	94,492	97.48%	131,502	53,584	40.75%
Interest and rent on land	339			324	95.58%	85	35	41.18%
Financial transactions in assets and liabilities		240		2,123		0	1	
Transfers and subsidies	46,970	17,040	36.28%	46,937	99.93%	69,022	48,090	69.67%
Provinces and municipalities	38,050	15,500	40.74%	38,049	100.00%	66,583	46,774	70.25%
Departmental agencies and accounts	550	50	9.09%	550	100.00%	1,500	990	66.00%
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions	5,244	78	1.49%	5,243	99.98%	145	65	44.83%
Households	3,126	1,412	45.17%	3,095	99.01%	794	261	32.87%
Payments for capital assets	7,128	952	13%	7,034	98.68%	7,478	924	12.36%
Buildings and other fixed structures						2,000		0.00%
Machinery and equipment	7,128	952	13%	7,034	98.68%	5,444	924	16.97%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Heritage assets						34		0.00%
Land and subsoil assets								
Payments for financial assets						750		
Total	291,324	104,408	35.84%	290,522	99.72%	377,154	179,609	47.62%

Main expenditure trends for the first half of the 2010/11 financial year

Programme 1: Administration

Slow spending of 45.25 per cent for the first six months of the financial year was due to cost containment measures. The expenditure projected in the second term is 54.75 per cent. In comparison with the previous financial year, there is an increase of 3.21 per cent in spending

due to renting of buildings, upgrading and renovation of offices, cleaning and security services and audit fees.

Programme 2: Local Governance

In the first six months of the year, 46.70 per cent of the allocated amount of R76.584 million was spent. It is projected that 53.30 per cent of the funds will be spent within the remaining months of the financial year when transfers to municipalities for financial assistance have been gazetted. In comparison with the previous financial year, there is an increase of 8.14 per cent in spending due to Operation Hlasela, Operation Clean Audit and financial assistance to municipalities in distress.

Programme 3: Development and Planning

In the first six months of the year, 54.68 per cent of the allocated amount of R40.201 million was spent. It is projected that 45.32 per cent of the funds will be spent within the remaining months of the financial year when transfers to municipalities for Municipal Infrastructure and Local Economic Development (LED) projects will be affected. In comparison with the previous financial year, there is an increase of 36.72 per cent in spending due to funds as allocated as transfers to municipalities for Municipal Infrastructure, are already exhausted.

Programme 4: Traditional Institutional Management

Traditional Affairs spent 49.30 per cent of the allocated funds of R7.983 million in the first six months. It is projected that 50.70 per cent of the funds will be spent within the remaining months of the financial year. Operational cost will increase with the Traditional Celebrations during December 2010/January 2011 and the implementation of increases in allowances to Traditional Leaders. In comparison with the previous financial year, there is an increase of 4.17 per cent in spending due to operational cost e.g. catering, transport and subsistence and accommodation.

Programme 5: House of Traditional Leaders

Traditional Affairs spent 36.53 per cent of the allocated funds of R4.264 million in the first six months. It is projected that 63.57 per cent of the funds will be spent within the remaining months of the financial year. Operational cost will increase with the Traditional Celebrations during December 2010/January 2011 and operational cost e.g. catering, transport and subsistence and accommodation.

Economic Classification

Current payments

The slow spending of 43.55 per cent is due to the vacant posts not being filled and carry-through cost. In comparison with the previous financial year, there will be an increase of 56.45 per cent in spending due to the operational costs of Administrators appointed according Section 139, payment in terms of software and license fees (Caseware) by municipalities audit fees as well as travel and subsistence costs, especially by Traditional Affairs and District Services.

Transfers and subsidies

The high spending of 70.25 per cent on Transfers to Provinces and Municipalities was mainly due to committed grants to municipalities which have incurred expenditure in terms of financial assistance, various municipal infrastructure projects and non-profit institutions affected. In comparison with the previous financial year, there was an expenditure increase of 29.51 per cent. Spending of 29.75 per cent for the remaining period will be fully utilised for Operation Clean Audit, financial assistance to municipalities in distress and municipal infrastructure projects.

Payments for capital assets

The slow spending of 12.36 per cent is as a result of office furniture and equipment which was ordered but not purchased yet. In comparison with the previous financial year, there will be expenditure increase of 87.64 per cent mainly on office furniture and equipment and computer equipment with the filling of critical posts that is in the process. Provision was also made to purchase a residence with the relocation of the House of Traditional Leaders. District offices were establishment which also have to be furnished in full.

Departmental receipts

Table 8.4 Expenditure trends

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2010	Apr 2009 - Sep 2009 adjusted appropriation %	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts	1 856	1 595	85.94%	2 482	133.73%	2 759	1 988	979	49.25%
Tax receipts									
Sales of goods and services other than Transfers received	1 263	678	53.68%	1 448	114.65%	2 558	1 844	923	50.05%
Fines, penalties and forfeits									
Interest, dividends and rent on land	133	196	147.37%	77	57.89%	148	70	7	10.00%
Sales of capital assets									
Financial transactions in assets and liabilities	460	721	156.74%	957	208.04%	53	74	49	66.22%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	1 856	1 595	85.94%	2 482	133.73%	2 759	1 988	979	49.25%

Main departmental revenue trends for the first half of 2010/11

- No programme within the Department is linked to any business initiative for generating revenue.
- The main reason was the increase in debt transactions in the Department.
- In terms of Township Establishment the trend over the last three years indicating a decline in applications.

Changes to transfers and subsidies, including conditional grants

Table 8.5: Summary of changes to transfers and subsidies per programme

R thousand	2010/11					Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		Total adjustments appropriation
1. Administration	120			104		104	104
Households EmplS/Ben: Leave Gratuity	10			101		101	101
Households Donations & Gifts (Cash)	110			3		3	3
Item name							
Item name							
2. Local Governance	21 100			1 788	35 033	36 821	36 821
Households EmplS/Ben: Leave Gratuity	100			20		20	20
Households EmplS/Ben: Injury on Duty				50		50	50
Households Donations & Gifts (Cash)				68		68	68
Mun B/Acc: Mun Conditional Grant	18 000			3 150	35 033	38 183	38 183
Non-Profit Institutions (SALGA)	3 000			(3 000)		(3 000)	(3 000)
Prov. DA: Academy of Sports				1 500		1 500	1 500
3. Development and Planning	27 987			(27 452)	10 000	(17 452)	(17 452)
Households EmplS/Ben: Leave Gratuity	25						
Households EmplS/Ben: Injury on Duty	10						
Households Donations & Gifts (Cash)	75			25		25	25
Mun B/Acc: Mun Conditional Grant	27 877			(27 477)	10 000	(17 477)	(17 477)
Item name							
4. Traditional Institutional Management	472			(230)		(230)	(230)
NPI:PMT/Refund & Rem-Act/Grace NPI	300			(155)		(155)	(155)
Households EmplS/Ben: Leave Gratuity	72			(20)		(20)	(20)
Households Donations & Gifts (Cash)	100			(56)		(56)	(56)
Households: Claim Against State (Cash)				1		1	1
Item name							
5. House of Traditional Leaders	250			(150)		(150)	(150)
Households PMT/Refund & Rem-	50						
Households EmplS/Ben: Leave Gratuity	50						
Households Donations & Gifts (Cash)	150			(150)		(150)	(150)
Item name							
Total transfers and subsidies	49 929			(25 940)	45 033	19 093	69 022

Department of Public Works and Rural Development

Adjusted budget summary

R thousand	2010/11		Decrease	Increase
	Main Appropriation	Adjusted appropriation		
Amount to be appropriated	948,325	1,063,045		114,720
<i>of which:</i>				
Current payments	709,307	728,572		19,265
Transfers and subsidies	155,592	223,820		68,228
Payments for capital assets	83,426	110,653		27,227
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	948,325	1,063,045		114,720
Executive Authority	MEC for Public Works & Rural Development			
Accounting Officer	The Head: Public Works & Rural Development			
Website address	www.pwrdd.gov.za			

Aim

Public Works & Rural Development is a department committed to the provision, promotion and sound management of assets and infrastructure systems that are safe, affordable, reliable, accessible and sustainable.

Changes to programme purposes, objectives and measures

The Department of Public Works and Rural Development will not change any of the purposes, objectives and measures during the 2010/11 financial year. All programmes remains as tabled APP.

Mid-year performance status

Public Works and Rural Development has not experienced or changed any indicators during 2010/2011 financial year.

Adjusted Estimates of Provincial Expenditure 2010

Table 9.1(a): Adjusted Estimates

Programme	2010/11						
	Main appropriation	Adjustments			Appropriation		
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Administration	74 569				3 851	3 851	78 420
2. Public Works	817 916	3 444			73 702	77 146	895 062
3. EPWP	27 644	5 244			21 928	27 172	54 816
4. Rural Development	28 196	2 151			4 400	6 551	34 747
Subtotal	948 325	10 839			103 881	114 720	1 063 045
Direct charge against the Provincial Revenue Fund							
Item							
Total	948 325	10 839			103 881	114 720	1 063 045

Economic classification

Table 9.1(b): Adjusted Estimates per Economic Classification

Programme	2010/11						
	Main appropriation	Adjustments			Appropriation		
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Economic classification							
Current payments	704,969				19,265	19,265	724,234
Compensation of employees	287,224				(7,826)	(7,826)	279,398
Goods and Services	417,745				27,091	27,091	444,836
Interest and rent on land							
Transfers and subsidies to;	155,592				68,228	68,228	223,820
Provinces and municipalities	154,158				68,228	68,228	222,386
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	1,434						1,434
Payments for capital assets	87,764	10,839			16,388	27,227	114,991
Buildings and other fixed structures	77,517	10,839			13,940	24,779	102,296
Machinery and equipment	10,247				713	713	10,960
Cultivated assets							
Software and other intangible assets					1,735	1,735	1,735
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	948,325	10,839			103,881	114,720	1,063,045

Table 9.1.1: Adjusted Estimates - Administration

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
Rthousand							
1.Office of the MEC	6,344				1,220	1,220	7,564
2.Management/Head of Department	5,256				(258)	(258)	4,998
3.Corporate Support	62,969				2,889	2,889	65,858
Subtotal	74,569				3,851	3,851	78,420
Direct charge against the Provincial Revenue Fund							
Item							
Total	74,569				3,851	3,851	78,420
Economic classification							
Current payments	64,082				3,851	3,851	67,933
Compensation of employees	40,877				2,500	2,500	43,377
Goods and Services	23,205				1,351	1,351	24,556
Interest and rent on land							
Transfers and subsidies to;	719						719
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	719						719
Payments for capital assets	9,768				-	-	9,768
Buildings and other fixed structures							
Machinery and equipment	9,768				(1,735)	(1,735)	8,033
Cultivated assets							
Software and other intangible assets					1,735	1,735	1,735
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	74,569				3,851	3,851	78,420

Table 9.1.2: Adjusted Estimates - Public Works

Sub programme	2010/11					
	Main appropriation	Adjustments Appropriation			Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts		
R'thousand						
1.Programme Support Office	6,611			152	152	6,763
2.Design	10,795			4,367	4,367	15,162
3.Construction	72,762	3,444		1,165	4,609	77,371
4.Maintenance	123,450			(4,876)	(4,876)	118,574
5.Property Management	604,298			72,894	72,894	677,192
Subtotal	817,916	3,444		73,702	77,146	895,062
Direct charge against the Provincial Revenue Fund						
Item						
Total	817,916	3,444		73,702	77,146	895,062
Economic classification						
Current payments	595,137			(1,445)	(1,445)	593,692
Compensation of employees	233,427			(5,250)	(5,250)	228,177
Goods and Services	361,710			3,805	3,805	365,515
Interest and rent on land						
Transfers and subsidies to;	154,873			68,228	68,228	223,101
Provinces and municipalities	154,158			68,228	68,228	222,386
Departmental agencies and account						
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households	715					715
Payments for capital assets	67,906	3,444		6,919	10,363	78,269
Buildings and other fixed structures	67,517	3,444		4,609	8,053	75,570
Machinery and equipment	389			2,310	2,310	2,699
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
Payments for financial assets						
Total	817,916	3,444		73,702	77,146	895,062

Table 9.1.3: Adjusted Estimates - EPWP

Sub programme	2010/11					Adjusted appropriation
	Main appropriation	Adjustments			Total adjustment appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts		
R/thousand						
1. Programme Support	8,702				-67	8,635
2. Innovation and Empowerment	1,845				-668	1,177
3. EPWP Co-ordination and Monitoring	17,097	5,244			22,663	45,004
Subtotal	27,644	5,244			21,928	54,816
Direct charge against the Provincial Revenue Fund						
Item						
Total	27,644	5,244			21,928	54,816
Economic classification						
Current payments	22,604				18,584	41,188
Compensation of employees	6,890				524	7,414
Goods and Services	15,714				18,060	33,774
Interest and rent on land						
Transfers and subsidies to:						
Provinces and municipalities						
Departmental agencies and account						
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households						
Payments for capital assets	5,040	5,244			3,344	13,628
Buildings and other fixed structures	5,000	5,244			3,206	13,450
Machinery and equipment	40				138	178
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
Specialised military assets						
Payments for financial assets						
Total	27,644	5,244			21,928	54,816

Table 9.1.4: Adjusted Estimates - Rural Development

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Other adjustments		
R thousand							
1. Programme Support	6,270				(1,601)	(1,601)	4,669
2. Community Development Projects	16,926	2,151			2,063	4,214	21,140
3. Community Development Co-ordination & Monitoring	5,000				3,938	3,938	8,938
Subtotal	28,196	2,151			4,400	6,551	34,747
Direct charge against the Provincial Revenue Fund							
Item							
Total	28,196	2,151			4,400	6,551	34,747
Economic classification							
Current payments	23,146				(1,725)	(1,725)	21,421
Compensation of employees	6,030				(5,600)	(5,600)	430
Goods and Services	17,116				3,875	3,875	20,991
Interest and rent on land							
Transfers and subsidies to;							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets	5,050	2,151			6,125	8,276	13,326
Buildings and other fixed structures	5,000	2,151			6,125	8,276	13,276
Machinery and equipment	50						50
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	28,196	2,151			4,400	6,551	34,747

Programme 3: EPWP

An amount of R5.244 million was rolled-over from the 2009/10 financial year will be used for capital and current infrastructure projects.

Programme 4: Rural Development

An amount of R2.151 million was rolled-over from the 09/10 financial year will be used for capital and current infrastructure projects.

Virements and shifts

Table 9.2: Details on virements and shifts within a department

Programmes Summary					
1. Administration					
2. Public Works					
3. EPWP					
4. Rural Development					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 2		(5 575)	Programme 1		5 575
Compensation of employees	Available funds due to non-critical posts not filled	(4 224)	Compensation of employees	Critical posts at head office were filled and projected increase on salary adjustments	2 500
	Available funds due to non-critical posts not filled		Programme 2		
	Available funds due to non-critical posts not filled		Households	The funds were needed for leave gratuity payments	1 200
Good & Services	Available funds due to non-critical posts not filled		Programme 3		
	Funds became available due to cost containment measures on the purchase of minor assets	(1 351)	Compensation of employees	Projected increase on salary adjustments	524
			Programme 1		
			Good & Services	Funds were needed for payment advisors assisting with the compilation of the Financial statements and special events of the MEC and Communications	1 351
Percentage of programme budget		0.00%			
Programme 4		(4 000)	Programme 4		4 000
Compensation of employees	Available funds due to non-appointments of the Rural Development component	(4 000)	Good & Services	The funds was needed for the payment relating to the co-ordination of infrastructure projects	4 000
Percentage of programme budget		11%			
Total		(9 575)			

Other adjustments

Function shifts

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA and Treasury Regulation 6.5.

Programme 2: Public Works

R1.653 million will be received from the Department of Education for the Maintenance support function transferred to the Department of Public Works and Rural Development. Within this transfer funds, R1.000 million will be for compensation expenditure and R 0.653 million will be for goods and services expenditure.

Gifts, donations and sponsorships – R0.025 million

A departmental delegation visited Shanghai in China for a World Expo on “Better City, Better Life”. Two Free State contractors accompanied the department and their flight tickets to the value of R25,000 were sponsored by Public Works and Rural Development.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 9.3 Expenditure trends

R thousand	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 2009 - Mar 2010 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 2010 - Sep 2010 % of adjusted appropriation
1. Administration	61 626	37 800	61.34%	62 487	101%	78 420	30 980	40%
2. Public Works	656 325	268 170	40.86%	698 209	106.38%	895 062	441 050	49%
3. EPWP	25 981	4 704	18.11%	16 466	63.38%	54 816	9 729	18%
4. Rural Development	26 500	145	0.55%	15 968	60.26%	34 747	12 780	37%
Subtotal	770 432	310 819	40.34%	793 130	102.95%	1 063 045	494 539	46.52%
Direct charge against the Provincial Revenue Fund								
Total	770 432	310 819	40.34%	793 130	102.95%	1 063 045	494 539	46.52%
Current payments	505 261	231 189	45.76%	534 115	105.71%	722 068	342 560	47.44%
Compensation of employees	253 161	117 651	46.47%	240 190	94.88%	276 698	128 989	46.62%
Goods and services	252 100	113 538	45.04%	293 925	116.59%	445 370	213 571	47.95%
Interest and rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies	188 897	52 675	27.89%	188 706	99.90%	225 020	121 286	53.90%
Provinces and municipalities	185 904	50 835	27.34%	185 895	100.00%	222 386	119 900	53.92%
Departmental agencies and accounts								
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions								
Households	2 993	1 840	61%	2 811	93.92%	2 634	1 386	
Payments for capital assets	76 274	26 955	35%	63 901	83.78%	115 957	30 693	26.47%
Buildings and other fixed structures	72 475	26 520	37%	61 417	84.74%	106 314	28 784	27.07%
Machinery and equipment	3 799	435	11%	2 484	65.39%	7 908	1 909	24.14%
Specialised military assets								
Cultivated assets								
Software and other intangible assets						1 735		0.00%
Land and subsoil assets								
Payments for financial assets				6 408				
Total	770 432	310 819	40.34%	793 130	102.95%	1 063 045	494 539	46.52%

Main expenditure trends for the first half of the 2010/11 financial year

Programme: 1: Administration

Expenditure in the first six months of 2010/11 amounted to R30.980 million or 40 per cent of the adjusted appropriation of R78.420 million. The expenditure is low due to provision made for payments towards the Auditor General fees and training and bursaries for employees that will be paid in the second half of the financial year. The establishment of the new ICT infrastructure will be finalized during the last quarter of the financial year.

Programme: 2: Public Works

Expenditure in the first six months of 2010/11 amounted to R441.050 million or 49 per cent of the adjusted appropriation of R895.062 million. The expenditure for rates and taxes was at 53 per cent and the department still projects an over expenditure of R118 million for the financial year.

Programme: 3: EPWP

Expenditure in the first six months of 2010/11 was R9.729 million or 18 per cent of the adjusted appropriation of R54.816 million. The expenditure is currently low due to the late commencement and slow progress of infrastructure projects.

Programme: 4: RURAL DEVELOPMENT

Expenditure in the first six months of 2010/11 was R12.780 million or 37 per cent of the adjusted appropriation of R34.747 million. Provision was made for the establishment of a Rural Development staff component but posts are not yet filled.

Economic Classification**Current Payments**

Expenditure in the first six months of 2010/11 was R342.560 million or 47 per cent of the adjusted appropriation of R722.068 million. The increased salary payments from July 2010, do not reflect in the expenditure for the first six months as a salary adjustment agreement was only concluded during October 2010. The goods and services budget increased with 6.4% whilst the increase in water, electricity, sanitation and refuse removal is much higher. This increase impact negatively on the department's budget and a shortage of R16.656 million is projected.

Transfers and subsidies

Expenditure for rates and taxes payments during the first six months of 2010/11 amounted to R121.286 million or 53 per cent of the adjusted appropriation of R225.020 million. The addition of schools and other properties that were previously not on the list of payments inflates the budget need for rates and taxes. This is a major source of revenue in municipalities and budget shortfalls impact negatively on municipal cash flows.

Payments for capital assets

Expenditure in the first six months of 2010/11 amounted to R30.693 million or 26 per cent of the adjusted appropriation of R115.957 million. Projects in Bethlehem, Smithfield and Hobhouse were stopped pending the outcome of court cases with construction companies. The computer infrastructure to the value of R8.9 million will only commence in the last quarter of the financial year.

Departmental receipts

Table 9.4 Expenditure trends

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2010	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr10 - Sep 10 % of adjusted estimate
Departmental receipts	8 125	3 612	44.46%	7 092	87.29%	8 604	9 570	3 968	41.46%
Tax receipts									
Sales of goods and services other than Transfers received	7 944	2 775	34.93%	5 652	71.15%	8 412	6 943	2 763	32.85%
Fines, penalties and forfeits									
Interest, dividends and rent on land	86	31	36.05%	152	176.74%	91	30	12	13.19%
Sales of capital assets	0			195	1000.00%		2 081	880	
Financial transactions in assets and liabilities	95	806	848.42%	1 093	1150.53%	101	516	313	309.90%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	8 125	3 612	44.46%	7 092	87.29%	8 604	9 570	3 968	41.46%

Main departmental revenue trends for the first half of 2010/11

Revenue collected in the first six months of 2010/11 amounted to R3.968 million or 41 per cent of the adjusted appropriation of R9.570 million. The under collection is mainly due to the delay with implementation of the increased parking tariffs. The department continues with selling of redundant / obsolete immovable assets. The 5 remaining houses in Modulaqhowa in Qwaqwa must still be sold in the current financial year.

Changes to transfers and subsidies, including conditional grants

Table 9.5: Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2010/11 Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		
1. Programme 1. Administration	719						719
Province & Municipalities	719						719
Households							
2. Programme number. name	154 873				69 428	69 428	224 301
Province & Municipalities	154 158				68 228	68 228	222 386
Households	715				1 200	1 200	1 915
Total transfers and subsidies	155 592				69 428	69 428	225 020

Table 9.6: Summary of changes to conditional grants :Provinces

		2010/11					
R thousand	Main appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Public Works	183 497				75 228	75 228	258 725
Devolution of Prop Rate Fund	154 158				68 228	68 228	222 386
Infrastructure Enhancement Alloc	29 339				7 000	7 000	36 339
Total conditional grant: Province	183 497				75 228	75 228	258 725

Revised Infrastructure project list

The table below caters for amendments on infrastructure projects (including those on retention) for the current financial year as well as projects which were not included/ were omitted in the Estimate of Provincial Revenue and Expenditure for 2010/11.

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Commitment budget	Total budget 2010/11 (FOI)	Captured on EPRE Yes/No	EPWP Yes/No
						Date: Start	Date: Finish								
1. New and replacement assets (R thousand)															
1	FSPG OFF BLDG MANGAUNG PWFS/27	Mangaung	Motho o	Equitable share	New Offices	Apr-07	Feb-13	2.3	315 046	51 753	11 000		11 000	Yes	No
2	SOC DEV OFF BLDG KRSTD PWFS/28	Moghaika	Fzile Dabi	Equitable share	New Offices	Apr-08	Mar-13	2.3	23 000	3 031			(6 000)	Yes	No
3	NEW LEGISLATURE	Mangaung	Motho o	Infrastructure Enhancement Allowance	New Offices	Nov-10	Mar-14	2.3	101 500	0	15 000		15 000	No	No
4	BETHANIE SCHL&FENCE PWFS/10034	Kopanong	Xhariep	Equitable share	School	Aug-09	Mar-12	4.3	4 726	628		2 722	4 848	Yes	No
5	MAKGOLORWENG CRECHE PWFS/10033	Maitlani Phuthong	Tlhabo Mofutsanyane	Equitable share	Creche	Aug-09	Mar-12	4.3	7 300	1 554	1 788		1 788	Yes	No
Total New replacement assets															
2. Maintenance and repairs (R thousand)															
1	BATHOCLINIC PWFS/10026	Mangaung	Motho o	Equitable share	Upgrade	Aug-09	Mar-11	3.3	2 000	379		7 000	7 000	Yes	Yes
2	BATHOMAPHIKELA TRNGPWFS/10/027	Mangaung	Motho o	Equitable share	Upgrade	Aug-09	Mar-11	3.3	3 000	319		2 000	2 000	Yes	Yes
4	CORNELIJAANTSWC-HALLPWFS/10/029	Maitlani	Fzile Dabi	Equitable share	Upgrade	Aug-09	Mar-11	3.3	166	0		204	204	Yes	Yes
7	HOUSE:REV.ZR.MATHABE PWFS/10/028	Moghaika	Fzile Dabi	Equitable share	Upgrade	Aug-09	Mar-11	3.3	600	19		750	750	Yes	Yes
9	NYS MAINTENANCE PWFS/10/035	Free State	Free State	Equitable share	Upgrade	Aug-09	Mar-11	3.3		0		6 895	6 895	Yes	Yes
10	ROUXVILLE-C-HALL PWFS/10/024	Mokohate	Xhariep	Equitable share	Upgrade	Aug-09	Mar-11	3.3	446	86		155	155	Yes	Yes
12	SMITHFIELDG LEFUR PWFS/10/020	Mokohate	Xhariep	Equitable share	Upgrade	Aug-09	Mar-11	3.3	315	161			154	Yes	Yes
13	BETHANIC-HALL PWFS/10/003	Kopanong	Xhariep	Equitable share	Upgrade	Aug-09	Mar-11	4.3	2 000	0			1 063	Yes	Yes
14	BETHULIE-C-HALL PWFS/10/004	Kopanong	Xhariep	Equitable share	Upgrade	Aug-09	Mar-11	4.3	800	0			800	Yes	Yes
Total Maintenance and repairs															
(6 000)															

2. Maintenance and repairs (R thousand)																						
15	CORNELIA:CLINIC&OFF PWFS/10/012	Matlube	Fezile Dabi	Equitable share	Upgrade	Aug-09	Mar-11	4.3	2010/04	530	0			530			Yes					
16	CORNELIA:MAF&MUN OFF PWFS/10/010	Matlube	Fezile Dabi	Equitable share	Upgrade	Aug-09	Mar-11	4.3	2010/04	990	0	110		110			Yes					
17	CORNELIA:MUN HALL PWFS/10/011	Matlube	Fezile Dabi	Equitable share	Upgrade	Aug-09	Mar-11	4.3	2010/04	170	0	35		35			Yes					
18	DIYATALAWA:CRECHE PWFS/10/017	Maluti A Phuthong	Thabo Mofutsanyane	Equitable share	Upgrade	Aug-09	Mar-12	4.3	2010/04	4 077	662	646		28			Yes					
19	DIYATALAWA:AGRI VILLPWFS/10/016	Maluti A Phuthong	Thabo Mofutsanyane	Equitable share	Upgrade	Aug-09	Mar-12	4.3	2010/04	7 398	922	646	8	654			Yes					
21	ITUMELENG:SPORT FAC PWFS/10/007	Kopanong	Xharlep	Equitable share	Upgrade	Aug-09	Mar-11	4.3	2010/04	3 004	5 480			1 016			Yes					
23	JAGERSF:CEMETRY&LA PWFS/10/005	Kopanong	Xharlep	Equitable share	Upgrade	Aug-09	Mar-11	4.3	2010/04	1 590	0				(720)		Yes					
24	MAKGOKWENG:FENC PWFS/10/019	Maluti A Phuthong	Thabo Mofutsanyane	Equitable share	Upgrade	Aug-09	Mar-12	4.3	2010/04	2 513	1 196	645			(537)		Yes					
25	MAKGOKWENG:HALL PWFS/10/018	Maluti A Phuthong	Thabo Mofutsanyane	Equitable share	Upgrade	Aug-09	Mar-12	4.3	2010/04	7 030	833	3 087		3 087			Yes					
26	THABANCHU:C-HALL&LS PWFS/10/015	Mangaung	Moltheo	Equitable share	Upgrade	Aug-09	Mar-12	4.3	2010/04	7 496	1 154	3 480		3 480			Yes					
Total Maintenance and repairs															27 961				(3 229)			Yes
3. Upgrades and additions (R thousand)																						
1	LEGISLAT UPGR SEC&ST	Mangaung	Moltheo		Upgrade	Apr-09	Mar-12	2.3	2010/04	15 000	7 757				(11 556)		No					
2	NEW TEST CENTRE BETH	Dhlabeng	Thabo Mofutsanyane		Upgrade	Feb-08	Mar-12	2.3	2010/04	79 000	29 441				(6 000)		No					
3	TEST STATION HARRISMf	Phumela	Thabo Mofutsanyane		Upgrade	Feb-08	Feb-11	2.3	2010/04	50 000	34 724			1 000			No					
4	HOBHOUSE ACCES UPG #	Kopanong	Xharlep		Upgrade	Apr-09	Mar-11	3.3	2010/04	1 000	0	300		300			Yes					
5	JAGERSF: ACCE ROAD F	Kopanong	Xharlep		Upgrade	Apr-09	Mar-11	3.3	2010/04	14 908	4 358	2 184		2 184			Yes					
6	ARLINGTON ROADS	Nlicana	Thabo Mofutsanyane		Upgrade	Nov-10	Mar-12	3.3		5 000	0	5 000		5 000			Yes					
7	MARABASTAD FENCE	Moqhatla	Fezile Dabi		Upgrade	Nov-10	Mar-12	3.3		5 400	0	2 000		2 000			Yes					
Total Upgrades and additions																						

Department of Police, Roads and Transport

Adjusted budget summary

R thousand	2010/11		Decrease	Increase
	Main Appropriation	Adjusted appropriation		
Amount to be appropriated of which:	1,682,742	1,742,842	(57,047)	117,147
Current payments	602,013	680,572		78,559
Transfers and subsidies	326,225	269,178	(57,047)	
Payments for capital assets	754,504	793,092		38,588
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	1,682,742	1,742,842	(57,047)	117,147
Executive Authority	MEC for Police, Roads and Transport			
Accounting Officer	The Head: Police, Roads and Transport			
Website address	www.prt.fs.gov.za			

Aim

Contribute towards the creation of a prosperous Free State through the facilitation of the provision of sustainable community safety, mobility and road infrastructure.

Changes to programme purposes, objectives and measures

Police, Roads and Transport did not change any of the purposes, objectives and measures during the 2010/11 financial year. All programmes remains as tabled in the APP.

Mid-year performance status

Police, Roads and Transport has experienced or changed target for the following indicators during 2010/2011 financial year:

Programme 3: Crime Prevention and Community Police Relations

Indicator	Programme	Outcome	2010/11 projections	First six months achievements	Change estimates for 2010/11
Number of IDPs with identified social crime prevention need incorporated into Safety Plans			5	0	Change from 7 to 5
Number of Campaigns held on community safety/ road shows			10	3	Change from 5 to 10

Programme 4 Public and freight Management

Indicator	Programme	Outcome	2010/11 projections	First six months achievements	Change estimates for 2010/11
5,901 Minibus taxi's to be recapitalised (over 7 years).			1 500	170	Changed from 80% to 25% (1 500)
4,582 Operating licenses to be issued (uplifted).			500	399	Changed from 100% to 11% (500)
Reduction in the number of taxi associations due to merger agreement.			41	9	Changed from 42 to 41.

Programme 5 Traffic Management

Indicator	Programme	Outcome	2010/11 projections	First six months achievements	Change estimates for 2010/11
Number of accidents reduced for all modes of transport	Law Enforcement	Outcome 6:	506	170	
Number of road traffic fatalities reduced		Building an efficient, competitive and responsive economic infrastructure network	338	203	Changed from 730 to 338
Number of pedestrian fatalities reduced			188	48	Changed from 178 to 188
Reduction of overloaded vehicles (Number of vehicles weighed)			88 000	15230	Changed from 80 000 to 88 000
Reduction of vehicles exceeding the speed limit (Number of fines issued)			153 473	113241	Changed from 190 000 to 153 473
Increased revenue collection			R292.952m	R18.337m	Changed from R272.122m to R292,952m
Decrease in eNATIS debt.			R25.76m	R 12.18m	Changed from R20,610m to R25,76m
Number of existing staff provided with refresher courses	Road Safety		300	271	Changed from 30 to 300
Number of schools provided with road safety education			1 600	66	Change from 2 500 to 1 600

Programme 2

The first ten indicators which appear on the EPE were changed after the Department undergone the strategic planning session. They were replaced by the first three on the above table.

Programme 3

The number of IDP's has been changed from 7 to 5 which is in line with the number of districts in Province.

Number of campaigns was changed from 5 to 10 due to the fact that the set target was low.

Programme 4

5,901 Minibus taxi's to be recapitalised (over 7 years) – changed from 80 per cent to 25 per cent (1 500) due to the fact that some taxi's do not meet the required standard set by the Department.

4,582 Operating licenses to be issued (uplifted) was changed from 100 per cent to 11 per cent (500).

Reduction in the number of taxi associations due to merger agreement was changed from 42 to 41.

Programme 5

Changes were made during the finalisation of the Strategic Planning session.

Adjusted Estimates of Provincial Expenditure 2010

Table 10.1(a): Summary of Adjusted Estimates

Programme	2010/11						
	R'thousand	Main appropriation	Adjustments			Appropriation	
Roll-overs			Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Administration		105 354					105 354
2. Civilian Oversight		8 597					8 597
3. Crime Prevention & Community Pol.Rel		31 668					31 668
4. Public and Freight Transport		249 145		(4 000)	21 000	17 000	266 145
5. Traffic Management		209 339		4 000		4 000	213 339
6. Roads Infrastructure		1 078 639			39 100	39 100	1 117 739
Subtotal		1 682 742			60 100	60 100	1 742 842
Direct charge against the Provincial Revenue Fund							
Item							
Total		1 682 742			60 100	60 100	1 742 842

Economic Classification

Table 10.1(b): Adjusted Estimates per Economic Classification

Programme		2010/11					
Economic classification		Adjustments			Appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
Economic classification							
Current payments	602 013			78 559		78 559	680 572
Compensation of employees	390 427			84 358		84 358	474 785
Goods and Services	211 586			(5 799)		(5 799)	205 787
Interest and rent on land							
Transfers and subsidies to;	326 225			(73 047)	16 000	(57 047)	269 178
Provinces and municipalities	150 000			(75 000)		(75 000)	75 000
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises	172 264			2 100	16 000	18 100	190 364
Foreign governments and international organisations							
Non-profit institutions	1 278						1 278
Households	2 683			(147)		(147)	2 536
Payments for capital assets	754 504			(5 512)	44 100	38 588	793 092
Buildings and other fixed structures	731 866			11 414	44 100	55 514	787 380
Machinery and equipment	21 679			(16 196)		(16 196)	5 483
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets	959			(730)		(730)	229
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	1 682 742				60 100	60 100	1 742 842

Table 10.1.1: Adjusted Estimates - Administration

Sub programme	2010/11						
	R thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts		
Office of the MEC		3 736			4 050	4 050	7 786
Office of the HOD		3 537			280	280	3 817
Financial Management		62 948			(7 312)	(7 312)	55 636
Corporate Services		35 133			2 982	2 982	38 115
Subtotal		105 354					105 354
Direct charge against the Provincial Revenue Fund							
Item							
Total		105 354					105 354
Economic classification							
Current payments		95 154			5 894	5 894	101 048
Compensation of employees		56 130			(8 822)	(8 822)	47 309
Goods and Services		39 024			14 716	14 716	53 740
Interest and rent on land							
Transfers and subsidies to;					2 360	2 360	2 360
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises					2 000	2 000	2 000
Foreign governments and international organisations							
Non-profit institutions							
Households					360	360	360
Payments for capital assets		10 200			(8 254)	(8 254)	1 946
Buildings and other fixed structures							
Machinery and equipment		10 200			(8 254)	(8 254)	1 946
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total		105 354					105 354

Table 10.1.2: Adjusted Estimates - Civilian Oversight

Sub programme	2010/11						
	Main appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand							
Civilian Oversight	2690			1 700		1 700	4 390
Policy and Research	2009						2 009
Monitoring and Evaluation	3898			(1 700)		(1 700)	2 198
Subtotal	8 597						8 597
Direct charge against the Provincial Revenue Fund							
Item							
Total	8 597						8 597
Economic classification							
Current payments	8 597			(6)		(6)	8 591
Compensation of employees	7 537			300		300	7837
Goods and Services	1 060			(306)		(306)	754
Interest and rent on land							
Transfers and subsidies to;							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets				6		6	6
Buildings and other fixed structures							
Machinery and equipment				6		6	6
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	8 597						8 597

Table 10.1.3: Adjusted Estimates - Crime Prevention and Community Police Relations

Sub programme	2010/11						
	R thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
Roll-overs			Unforeseeable/ unavoidable	Virements and shifts	Other adjustments		
Social Crime Prevention	20 783			(8 902)		(8 902)	11 881
Community Police Relations	6 097			11 312		11 312	17 409
Promotion of Safety	4 788			(2 410)		(2 410)	2 378
Subtotal	31 668						31 668
Direct charge against the Provincial Revenue Fund							
Item							
Total	31 668						31 668
Economic classification							
Current payments	18 668			9 990		9 990	28 658
Compensation of employees	9 880			12 990		12 990	22 870
Goods and Services	8 788			(3 000)		(3 000)	5 788
Interest and rent on land							
Transfers and subsidies to;	3 000						3 000
Provinces and municipalities							0
Departmental agencies and account							0
Universities and technikons							0
Public corporations and private enterprises	3 000						3 000
Foreign governments and international organisations							0
Non-profit institutions							0
Households							0
Payments for capital assets	10 000			(9 990)		(9 990)	10
Buildings and other fixed structures	10 000			(10 000)		(10 000)	0
Machinery and equipment				10		10	10
Heritage assets						0	0
Specialised military assets							
Payments for financial assets							
Total	31 668						31 668

Table 10.1.4: Adjusted Estimates - Public and Freight Transport

Subprogramme	2010/11							
	R thousand	Main appropriation	Adjustments Appropriation				Adjusted appropriation	
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		Total adjustment appropriation
1. Programme Support Office		18 866			13 895		13 895	32 781
2. Public and Freight Infrastr		48 000			(31 500)	5 000	(26 500)	21 500
3. Institutional Management		7 970			14 594	16 000	30 594	38 564
4. Regulation and Control		171 586			345		345	171 931
5. Public and Freight Planning		2 703			(1 334)		(1 334)	1 369
Subtotal		249 145			(4 000)	21 000	17 000	266 145
Direct charge against the Provincial Revenue Fund								
Item								
Total		249 145			(4 000)	21 000	17 000	266 145
Economic classification								
Current payments		30 253			22 503		22 503	52 756
Compensation of employees		19 689			25 949		25 949	45 638
Goods and Services		10 564			(3 446)		(3 446)	7 118
Interest and rent on land								
Transfers and subsidies to;		170 742			40	16 000	16 040	186 782
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises		169 264			100	16 000	16 100	185 364
Foreign governments and international organisations								
Non-profit institutions		1 278						1 278
Households		200			(60)		(60)	140
Payments for capital assets		48 150			(26 543)	5 000	(21 543)	26 607
Buildings and other fixed structures		48 000			(26 500)	5 000	(21 500)	26 500
Machinery and equipment		150			(43)		(43)	107
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total		249 145			(4 000)	21 000	17 000	266 145

Table 10.1.5: Adjusted Estimate - Traffic Management

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
Programme Support Office	5 807			(430)		(430)	5 377
Traffic Law Enforcement	109 800			2 855		2 855	112 655
Road Safety Education	16 580			(1 210)		(1 210)	15 370
Transport Admin and Licensing	75 228			4 173		4 173	79 401
Overload control	1 924			(1 388)		(1 388)	536
Subtotal	209 339			4 000		4 000	213 339
Direct charge against the Provincial Revenue Fund							
Item							
Total	209 339			4 000		4 000	213 339
Economic classification							
Current payments	197 954			12 147		12 147	210 101
Compensation of employees	160 404			(5 337)		(5 337)	155 067
Goods and Services	37 550			17 484		17 484	55 034
Interest and rent on land							
Transfers and subsidies to;	885			(543)		(543)	342
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	885			(543)		(543)	342
Payments for capital assets	10 500			(7 604)		(7 604)	2 896
Buildings and other fixed structures						0	
Machinery and equipment	10 500			(7 604)		(7 604)	2 896
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	209 339			4 000		4 000	213 339

Table 10.1.6: Adjusted Estimates - Roads Infrastructure

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Other adjustments		
R'thousand							
Programme Support	7 239			(2 470)		(2 470)	4 769
Planning	6 659			(756)		(756)	5 903
Design	69 000			(17 182)		(17 182)	51 818
Construction	680 070			42 140	39 100	81 240	761 310
Maintenance	315 671			(21 732)		(21 732)	293 939
Subtotal	1 078 639				39 100	39 100	1 117 739
Direct charge against the Provincial Revenue Fund							
Item							
Total	1 078 639					39 100	1 117 739
Economic classification							
Current payments	251 387			28 031		28 031	279 418
Compensation of employees	136 787			59 278		59 278	196 065
Goods and Services	114 600			(31 247)		(31 247)	83 353
Interest and rent on land							
Transfers and subsidies to;	151 598			(74 904)		(74 904)	76 694
Provinces and municipalities	150 000			(75 000)		(75 000)	75 000
Non-profit institutions							
Households	1 598			96		96	1 694
Payments for capital assets	675 654			46 873	39 100	85 973	761 627
Buildings and other fixed structures	673 866			47 914	39 100	87 014	760 880
Machinery and equipment	829			(311)		(311)	518
Land and subsoil assets	959			(730)		(730)	229
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	1 078 639				39 100	39 100	1 117 739

Details of adjustments to Estimates of Provincial Expenditure 2010

Virements and shifts

Table 10.2: Details on virements and shifts within a department

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
1. Administration - Current Payments/ Compensation	Savings were realised as results of none filling of vacant posts.	(8,822)	1. Administration - Current Payments/ Good and Services	Part of savings will be used to upgrade the IT server, payment of Audit fees, maintenance of Traffic radio network and Cash in Transit services in the Reg Authorities.	14,716
Capital Payments Machinery & Equipment	Saving realised due to opting to lease labour saving devices rather than outright purchase.	(8,254)	Transfers and Subsidies Household, NGO & Pub Priv Enterprise	Two donation of R1 million each will be made to an NGO and SAPS and the remainder to Households	2,360
Percentage of programme budget		16%			
2. Civilian Oversight			2. Civilian Oversight		
Current Payments/ Goods and Services	Savings were identified under various items in Goods and Services.	(306)	Current Payments Compensation of Employees	Funds will be used to offset part of the R143 million surrendered to National Treasury	300
			Machinery and Equipment	Funds were needed to purchase office furniture	6
Percentage of programme budget		3.56%			
3. Crime Prevention & Com Pol Rela			3. Crime Prevention & Com Pol Rela		
Current Payments Good and Services	Savings were identified under various items in Goods and Services.	(3,000)			-
Capital Payments Buildings & Other Fix Struct	Savings were identified under Buildings & Other Fix Structure.	(9,990)	Current Payments Compensation of Employees	Funds will be used to offset part of the R143 million surrendered to National Treasury	12,990
Percentage of programme budget		41.02%			
4. Public and Freight Transport			5. Traffic Management		
Current Payments Good and Services	Budget was transferred as result transfer of personnel	(4,000)	Current Payments Good and Services	Funds were used to pay for the use of GG fleet of Traffic Officers	4,000
4. Public and Freight Transport			4. Public and Freight Transport		
Capital Payments Buildings & Other Fix Struct	Funds became available as results of suspending all infrastructure projects. Except Logistic Hub	(26,543)	Current Payments Compensation of Employees	Funds will be used to offset part of the R143 million surrendered to National Treasury	25,949
			Current Payments Good and Services	Fund to be used to curb the expected overspending	554
			Transfers and Subsidies/Household	Funds to be used to offset the overspending as result of a donation made.	40
Percentage of programme budget		10.65%			

Programmes Summary					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
5. Traffic Management - Current Payments/ Compensation	Savings from Over-time and S+T were identified.	(5 337)	5. Traffic Management - Current Payments/ Good and Services	Funds will be used to offset part of the R143 million surrendered to N/Treasury, payment of agency fees (Post Office) and for maintenance of Traffic Law enforcement cameras.	13 484
Transfers and Subsidies Household	Saving realised due to opting to lease labour saving devices rather than outright purchase.	(543)			
Capital Payments Machinery & Equipment	Saving realised due to opting to lease labour saving devices rather than outright purchase.	(7 604)			
Percentage of programme budget		6%			
6. Roads Infrastructure			6. Roads Infrastructure		
Current Payments/ Goods and Services	Savings were identified under various items in Goods and Services.	(31 247)	Current Payments Compensation of Employees	Funds will be used to offset part of the R143 million surrendered to National Treasury	59 278
Transfers and Subsidies/Provincial & Loc Gov	Operation Hlasela transfers has been reduced to provide for surrender funds.	(75 000)	Transfers and Subsidies/Household	Funds to be used to offset the overspending.	96
Capital Payments Machinery & Equipment	Purchase of Office furniture, equipment and replacement of computer h/w has been postponed to next financial year.	(311)	Capital Payments Buildings & Other Fix Struct		47 914
Capital Payments Land and Subsoil	Savings has been identified under land and subsoil	(730)			
Percentage of programme budget		10%			

Other adjustments – R60.100 million

The department received additional allocation of R60.1 million specifically for the following R16 million for the New Bus venture, R5 million for the continuing of the Harrismith Logistic Hub project and R45 million was for the maintenance of the existing road networks in the province.

Funds shifted within a vote to follow a functions shift within the same vote

An amount of R4 million was shifted from/to goods and services from program 4 to 5 for the payment of GG vehicle fleet used by traffic officer. Thus, is as result of moving traffic officers from programme 4 to 5.

Gifts, donations and sponsorships – R2 million

A department is intending to make donation of R1 million each to the South Africa Police Services and Young Women Network.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 10.3 Expenditure trends

R thousand	2009/10 Expenditure outcome					2010/11 Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1. Administration	105 308	18 082	17.17%	77 896	74%	105 354	46 020	44%
2. Civilian Oversight	7 040	3 193	45.36%	7 456	106%	8 597	3 273	38%
3. Crime Prevention & Community Police Relation	24 156	5 761	23.85%	11 001	46%	31 668	7 924	25%
4. Public and Freight Transport	220 338	81 797	37.12%	153 086	69.48%	266 145	116 817	44%
5. Traffic Management	243 889	83 718	34.33%	236 669	97.04%	213 339	109 335	51%
6. Roads Infrastructure	978 342	403 633	41.26%	975 338	99.69%	1 117 739	336 467	30%
Subtotal	1 579 073	596 184	37.76%	1 461 446	92.55%	1 742 842	619 836	35.56%
Direct charge against the Provincial Revenue Fund								
Total	1 579 073	596 184	37.76%	1 461 446	92.55%	1 742 842	619 836	35.56%
Current payments	556 046	207 673	37.35%	543 750	97.79%	680 572	273 528	40.19%
Compensation of employees	343 853	133 770		313 544		474 785	174 163	
Goods and services	212 193	73 901		230 203		205 787	99 365	
Interest and rent on land	-	2		3				
Transfers and subsidies	281 538	72 665	25.81%	298 849	106.15%	269 178	107 966	40.11%
Provinces and municipalities	105 500			153 376		75 000	15 801	
Departmental agencies and accounts	20 000			22 008		1 278	1 278	
Universities and technikons								
Public corporations & private enterprises	151 805	69 869		121 018		190 364	89 054	
Non-profit institutions	1 200	2 796				0		
Households	3 033			2 447		2 536	1 833	
Payments for capital assets	741 489	315 846	43%	618 847	83.46%	793 092	238 342	30.05%
Buildings and other fixed structures	717 668	315 489		599 978		787 380	236 249	
Machinery and equipment	22 921	357		18 771		5 483	2 093	
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets	900			98		229		
Payments for financial assets								
Total	1 579 073	596 184	37.76%	1 461 446	92.55%	1 742 842	619 836	35.56%

Selected expenditure trends for the first half of the 2010/11 financial year

Expenditure in the first six month of 2010/11 financial year amounts to R619.836 million, which is 35.56 per cent of the adjusted appropriation of R1.743 billion. The decrease of 2.2 per cent in spending as compared to 2009/10 financial year is as result of slow spending and payment in respect of the infrastructure projects in program 6.

Programme 1: Administration

An increase of 26.83 per cent in spending as compared to 2009/10 financial year is as a result of an increase in compensation of employees as well as goods and services e.g. increase in audit fees, legal fees, IT services, etc.

Programme 2: Civillian Oversight

A decrease of 7.36 per cent is a result of a slow spending in goods and services.

Programme 3: Crime Prevention and Community Police Relation

An increase of 1.15 per cent is as result of increase in goods and services and transfers payments.

Programme 4: Public and Freight Infrastructure

An increase of 6.88 per cent is as result of increase in goods and services and transfers in Public Operation grant.

Programme 5: Traffic Management

The programme expenditure has increased by 16.67 per cent as compared to the previous financial year and this is due to an increase in compensation as results of upgrading of traffic officers posts and increase in goods and services.

Programme 6: Roads Infrastructure

The decrease of 11.26 per cent in spending for the first six month as compared to the 2009/10 financial year is due slow spending in infrastructure payment and slow payment of claims already submitted.

Economic Classification

Current Payments

The expenditure for the current payments for the first six month was 40.11 per cent of the adjusted budget. The expenditure is 2.84 per cent higher than the first six month of the previous financial year. An annual general salary increase approved for this financial year is 7.5 per cent and it will be implemented retrospectively form July 2010.

Transfers and subsidies

The expenditure for the transfers and subsidy payments for the first six month was 40.11 per cent of the adjusted budget. The expenditure is 14.3 per cent higher than the first six month of the previous financial year. The difference is due to increased transfer been done of Public Transport grant and transfers to Provinces and Municipal in the first 6month of the financial year as compared to the last financial year where the transfers to municipality were delayed until towards the end of the financial year after they were gazetted.

Payments for capital assets

The expenditure for capital payments for the first six month was 30.05 per cent of the adjusted budget. The expenditure is 12.95 per cent less than the first six month of the previous financial year. These are as a result of slow implementation of capital projects and slow processing of the claims already received. The procurement of other office furniture and equipment has to be delayed due the slow processing of payments to suppliers.

Departmental receipts

Table 10.4 Revenue/ Receipts trends

R thousand	2009/10					2010/11			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 2009 - Sep 2010	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr10 - Sep 10 % of adjusted estimate
Departmental receipts	352,358	141,983	40.30%	352,798	100.12%	366,453	382,949	192,677	50.31%
Tax receipts	279,291	103,659	37.12%	267,726	95.86%	293,256	288,977	144,489	50.00%
Sales of goods and services other than Transfers received	51,562	24,034	46.61%	53,266	103.30%	50,617	57,656	28,781	49.92%
Fines, penalties and forfeits	21,321	13,498	63.31%	29,785	139.70%	22,387	35,603	19,049	53.50%
Interest, dividends and rent on land	8	3	37.50%	25	312.50%	8	65	33	50.77%
Sales of capital assets									
Financial transactions in assets and liabilities	176	789	448.30%	1,996	1134.09%	185	648	325	50.15%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	352,358	141,983	40.30%	352,798	100.12%	366,453	382,949	192,677	50.31%

Main departmental revenue trends for the first half of 2010/11

The revenue collected for the first six months is R192.677 million which is 50.31 percent of the adjustment budget. This is 10.1 percent higher than what was collected at the same period last financial year. This increase in revenue collected is attributed to the increased recovery of traffic fines and sales of goods and services.

Changes to transfers and subsidies, including conditional grants

Table 10.5: Summary of changes to transfers and subsidies per programme

		2010/11					
R thousand	Main appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments		
1. Programme 1. Administration					2 360	2 360	2 360
Departmental Agen & Accounts					2 000	2 000	2 000
Households					360	360	360
2. Programme 4. Public & Freight	173 742				16 040	16 040	189 782
Households	200				(60)	(60)	140
Non Profit Institution	1 278						1 278
Public Corporation & Priv Ent	172 264				16 100	16 100	188 364
3. Programme 5. Traffic Management	885				(543)	(543)	342
Households	885				(543)	(543)	342
4. Programme 6. Roads Infrastructure	151 598				(74 904)	(74 904)	76 694
Households	1 598				96	96	1 694
Provincial & Local Governments	150 000				(75 000)	(75 000)	75 000
Total transfers and subsidies	326 225				(57 047)	(57 047)	269 178

Revised Infrastructure project list

Table 10.8 Revised Infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Programme	Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2010/11 (TO)	Total budget 2010/11 (FROM)	Captured on EPRR Yes/No	EPWP Yes/No
						Date Start	Date Finish										
1. New and replacement assets (R thousand)																	
1	BLUESPRUIT POLICE STATION	Mohleo District Municipality	Mohleo	Infrastructure	Police Sta			3	2010/04	10,000					(10,000)	Yes	No
2	SETSOTO TRANSPORT CENTRE	Seisoto	Traho Mofutsanyane	Infrastructure	Taxi facility	Jun-07	Dec-09	4	2010/04		3,762				(12,000)	Yes	No
3	HARRISMITH LOGISTIG HUB	Phumelela	Traho Mofutsanyane	Infrastructure	Logistic Hub	Apr-08	Mar-11	4						5,000		No	No
4	MANTSOPA TRANSPORT CENTRE	Manisopa	Mohleo	Infrastructure	Taxi facility	Jun-07	May-09	4	2010/04						(8,000)	Yes	No
5	NALEDI TRANSPORT CENTRE	Naledi(FS)	Mohleo	Infrastructure	Taxi facility	Apr-08	Mar-09	4	2010/04		701				(2,000)	Yes	No
6	WELKOM TRANSPORT CENTRE	Maitjhabeng	Lejwelepuswa	Infrastructure	Taxi facility	Apr-08	Mar-09	4	2010/04						(4,000)	Yes	No
7	COMMUTER RAIL REVITALIZATION	Mohleo District Municipality	Mohleo	Infrastructure	Taxi facility			4	2010/04						(5,500)	Yes	No
8	SWINBURK WILGE_1066_A160_BR	Malutja-Pholung	Traho Mofutsanyane	Infrastructure	Bridge	May-10	Apr-11	6	2010/04	18,000					(1,500)	No	NI
9	CALEDON BRIDGE WEPENAR DWARF	Mohleo District Municipality	Mohleo	Infrastructure	Bridge	Aug-06	Aug-09	6	2010/04	10,000					(3,000)		NI
Total New replacement assets										38,000				5,000	(46,000)		

2. Maintenance and repairs (R thousand)																		
1	SUPPORT - NO PROJECTS - CURRENT	Motho District Municipality	Infrastructure	Admin Support (Overheads)	Apr-10	Mar-11	6	2010004	22 871	6 572								
2	MAINTENANCE - NO PROJECTS - CURRENT	Motho District Municipality	Infrastructure	Admin Support (Overheads)	Apr-10	Mar-11	6	2010004	800 000	317 556								
3	MAINTENANCE - NO PROJECTS - CAPITAL	Motho District Municipality	Infrastructure	Admin Support (Overheads)	Apr-10	Mar-11	6	2010004	5 000	637		119						
4	CONSTRUCTION - NO PROJECTS - CURRENT	Fickshe Dabi Municipality	IGP	Admin Support (Overheads)	Jul-09	Jun-12	6	2010004	10 670	3 270								
5	CONSTRUCTION - NO PROJECTS - CAPITAL	Lajweputswa Municipality	IGP	Admin Support (Overheads)	Sep-10	Aug-12	6	2010004	392	48								
6	REGRAVEL - XIHABEP	Xhabep District Municipality	IGP	Responsibility of poor gravel roads	Sep-10	Aug-12	6	2010007	75 000									
7	MAINT PROJECTS (PROGRAMMED)	Motho District Municipality	Infrastructure	Programmed maintenance done with emerging contractors on the contractor development programme	Nov-08	Feb-12	6	2010004	405 580	166 384		41 000						
8	ROAD SIGNS CONTRACT	Motho District Municipality	IGP	Re-painting of road markings throughout the Free State	July-09	Dec-12	6	2010004	45 000	16 444								
9	ROAD MARKINGS CONTRACT	Motho District Municipality	IGP	Removal of free trunks at bridge near Frankfort after floods	Feb-2006	May-11	6	2010004	24 000									
10	FLOOD DAMAGE	Motho District Municipality	IGP	Admin Support (Overheads)	Apr-10	Mar-11	6	2010004	208 528	196 528								
11	BLOEMFONTEIN RD19/S23-RRCA	Motho District Municipality	IGP	Maintenance done with emerging contractors	Jun-10	Mar-12	6	2010/10	32 766			32 766						
12	LINDLEY - STEYNBRUS VILLAGES RD19/S23-RRCA	Motho District Municipality	IGP	Maintenance done with emerging contractors	Jun-10	Mar-12	6	2010/10	26 285			26 285						
13	FRANKFORD - VILLAGES RD19/S23-RRCA	Motho District Municipality	IGP	Maintenance done with emerging contractors	Jun-10	Mar-12	6	2010/10	22 067			22 067						
14	FRANKFORD - VILLAGES RD20/S23-RRCA	Motho District Municipality	IGP	Maintenance done with emerging contractors	Jun-10	Mar-12	6	2010/10	49 162			49 162						
15	ACC ZAMDELA - KOPPESTRAD1/F23-RRCA	Motho District Municipality	IGP	Maintenance done with emerging contractors	Jun-10	Mar-12	6	2010/10	13 533			13 533						
16	RETHLEHLE - LINDLEY RD19/S23-RRCA	Motho District Municipality	IGP	Maintenance done with emerging contractors	Jun-10	Mar-12	6	2010/10	29 406			29 406						
17	VILJOENDR - DENY SV RD19/S23-RRCA	Motho District Municipality	IGP	Maintenance done with emerging contractors	Jun-10	Mar-12	6	2010/10	21 506			21 506						
Total Maintenance and repairs														1 791 768	729 439	338 372	(7 6 521)	No

3. Upgrades and additions (R thousand)															
1	DENEYSVILLE: REFENKIGOTSO _ACC	Meisimaholo	Fezile Dabi	Infrastructure	Access Road	2008/04	2010/06	6	2010/10	80,000					
2	VREDEFORT DOME - Phase 2	Mophaka	Fezile Dabi	IGP	Upgrade of access road through Mononista Pass in QwaQwa to Lesotho				2010/10	91,700	6,308				Yes
3	VREDEFORT DOME - Phase 3	Mophaka	Fezile Dabi	IGP	Upgrade of access road through Mononista Pass in QwaQwa to Lesotho			6	2010/10					(5,000)	Yes
4	FRANKFORT: WILGE_ 9_S159_BR	Ngwathe	Fezile Dabi	IGP	Bridge Repair	2010/07	2011/11	6	2011/04					(5,000)	Yes
5	FRANKFORT: WILG	Ngwathe	Fezile Dabi	IGP	Bridge Repair	2010/07	2011/10	6	2011/05					(5,500)	Yes
6	THABA NCHU PUB	Ngwathe	Fezile Dabi	IGP	Upgrading of existing structure	2010/01	2011/12	6	2010/10	40,550	3,276			(16,000)	Yes
Total Upgrades and additions										212,250	9,584			(63,460)	

4. Rehabilitation, renovations and refurbishments (R thousand)												
1	GIS DEVELOPMENT AND MAINTENANCE	Motheo District Municipality	Motheo	Infrastructure	System	2009/04	2012/03	6	2010/10	6,500	4,609	
2	ROAD ASSET MANAGEM SYST (FAMS)	Motheo District Municipality	Motheo	Infrastructure	System	2009/04	2012/03	6	2010/10	5,020	1,500	(1,200)
3	SOUTPAN-BULIT- WESSELB- HOOPS_REH	Masibongana	Lejweleputswa	IGP	Rehabilitation	2009/04	2012/04	6	2010/10	12,200	2,200	7,900
4	HELBRON- PETRUS STEYN_P9/3_R&R	Ngwathe	Fezile Dabi	IGP	Rehabilitation	2009/04	2011/04	6	2010/10	14,800	-	10,000
5	STANDERTON - WARDEN (P18/11) (PHASE 2)	Phumelela	Thabo Mofutsanyane	IGP	Rehabilitation	2007/05	2010/04	6	2010/10	38,849	29,686	(3,000)
6	PLANNING - NO PROJECTS - CURRENT	Mangang	Motheo District Municipality	Infrastructure	Admin Support (Overheads)	2010/04	2011/03	6	2010/10	17,473	7,541	108
7	PLANNING - NO PROJECTS - CAPITAL	Mangang	Motheo District Municipality	Infrastructure	Admin Support (Overheads)	2010/04	2011/03	6	2010/10	3,889	1,230	(864)
8	TRAFFIC COUNTING SYST	Motheo District Municipality	Motheo	Infrastructure	System	2009/04	2012/03	6	2010/10	12,382	6,216	(1,500)
9	VREDE-BOTHAS PASS (P162)	Phumelela	Thabo Mofutsanyane	Infrastructure	Rehabilitation	2007/05	2010/04	6	2010/10	16,327	8,545	(2,900)
10	STANDERTON - WARDEN (P18/11) (PHASE 3)	Phumelela	Thabo Mofutsanyane	Infrastructure	Rehabilitation	2010/09	2011/10	6	2010/10	3,000		(200)
11	DESIGN - NO PROJECTS - CURRENT	Motheo District Municipality	Motheo	Infrastructure	Admin Support (Overheads)	2010/04	2011/03	6	2010/10	29,421	11,864	(5,282)
12	DESIGN - NO PROJECTS - CAPITAL	Motheo District Municipality	Motheo	Infrastructure	Admin Support (Overheads)	2010/04	2011/03	6	2010/10	39,740	115	(200)
13	MILLING & FOGSPRAY	Motheo District Municipality	Motheo	IGP	Milling, patching and fog spray of very poor sections of surfaced roads throughout the Free State	2009/05	2012/04	6	2010/10	330,000	11,848	(40,800)

4. Rehabilitation, renovations and refurbishments (R thousand)															
													0		
14	HEILBRON- PETRUS STEYN P03_REH	Mesimaholo	Fezile Dabi	IGP	Rehabilitation	2011/09	2013/08	6	2010/10	206 690	19 026		(35 000)	Yes	No
15	VILJOENSKROON- VREDEFORT	Ngwathe	Fezile Dabi	IGP	Rehabilitation	2010/07	2011/08	6	2010/10	177 408			(5 000)	No	No
16	WARDEN- STANDERTON	Phumelela	Thabo Mofutsanyane	IGP	Rehabilitation	2009/05	2012/04	6	2010/10	252 718	30 000		(2 000)	Yes	No
17	VREDE- STANDERTON	Phumelela	Thabo Mofutsanyane	IGP	Maintenance done with emerging contractors	2010/06	2012/03	6	2010/10			23 547		Yes	No
18	TOWNSHIP REVITALIZATION	FS WHOLE PROVINCE	FS PROVINCE	Infrastructure	Maintenance done with emerging contractors	2008/09	2012/03	6	2010/11	303 376	153 376		(75 000)	Yes	No
Total rehabilitation, renovations and refurbishments Thabo Mofutsanyane										1 469 793	287 756		41 555	(173 246)	
GRAND TOTAL													384 927	(361 227)	

Department of Agriculture

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	408 849	411 316	(21 033)	23 500
<i>of which:</i>				
Current payments	302 924	304 582		1 658
Transfers and subsidies	30 751	9 718	(21 033)	
Payments for capital assets	75 174	97 016		21 842
Payments for financial assets				
Direct charge against the Provincial Revenue Fund	408 849	411 316	(21 033)	23 500
Executive Authority	MEC for Agriculture			
Accounting Officer	Deputy Director-General: Agriculture			
Website address	www.fs.agric.za			

Aim

The vision of the Free State Department of Agriculture is "to be the leader in providing excellent agricultural services, through innovative resource management and unlocking of agricultural potential, ensuring economic growth and sustainable livelihoods for our clients.

Changes to programme purposes, objectives and measures

There were no changes to the purpose, objectives or measures of any programme of budget during the course of the year to date.

Mid-year performance status

There were no formal changes made to the performance information of the Department published in the Estimates of Provincial Expenditure.

Adjusted Estimates of Provincial Expenditure 2010

Table 11.1(a): Adjusted Estimates per programme

Programme	2010/11						
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Administration	109 713		2 500		(1 000)	1 500	111 213
2. Sustainable Resource Management	21 388		5 000			5 000	26 388
3. Farmer Support & Development	160 167	967				967	161 134
4. Veterinary Services	42 629						42 629
5. Technology, Research & Development Services	54 745				(5 000)	(5 000)	49 745
6. Agricultural Economics	5 687						5 687
7. Structured Agricultural Training	14 520						14 520
Subtotal	408 849	967	7 500		(6 000)	2 467	411 316
Direct charge against the Provincial Revenue Fund							
Item							
Total	408 849	967	7 500		(6 000)	2 467	411 316

Economic classification

Table 11.1(b): Adjusted Estimates per Economic Classification

Programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	* Virements and shifts	Other adjustments		
Economic classification							
Current payments	302 924		2 500	(842)		1 658	304 582
Compensation of employees	222 520		2 500			2 500	225 020
Goods and Services	80 404			(842)		(842)	79 562
Interest and rent on land							
Transfers and subsidies to;	30 751	967	5 000	(26 000)	(1 000)	(21 033)	9 718
Provinces and municipalities	60						60
Departmental agencies and account	191						191
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	30 500	967	5 000	(26 000)	(1 000)	(21 033)	9 467
Payments for capital assets	75 174			26 842	(5 000)	21 842	97 016
Buildings and other fixed structures	57 174			19 461	(5 000)	14 461	71 635
Machinery and equipment	11 000			(24)		(24)	10 976
Cultivated assets	7 000			5 305		5 305	12 305
Software and other intangible assets				2 100		2 100	2 100
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	408 849	967	7 500	(6 000)	(6 000)	2 467	411 316

*Note: The above mentioned virements/ shiftings were not included in the 2010/11 Adjusted Appropriation Bill.

Table 11.1.1: Adjusted Estimates - Administration

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R thousand							
1. Office of the MEC	6 590						6 590
2. Senior Management	15 741			58		58	15 799
3. Corporate Services	63 172		2 500		(1 000)	1 500	64 672
4. Financial Management	19 057			(58)		(58)	18 999
5. Communication Services	5 153						5 153
Subtotal	109 713		2 500		(1 000)	1 500	111 213
Direct charge against the Provincial Revenue Fund							
Item							
Total	109 713		2 500		(1 000)	1 500	111 213
Economic classification							
Current payments	104 962		2 500	(998)		1 502	106 464
Compensation of employees	71 909		2 500			2 500	74 409
Goods and Services	33 053			(998)		(998)	32 055
Interest and rent on land							
Transfers and subsidies to;	4 751				(1 000)	(1 000)	3 751
Provinces and municipalities	60						60
Departmental agencies and account	191						191
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	4 500				(1 000)	(1 000)	3 500
Payments for capital assets				998		998	998
Buildings and other fixed structures							
Machinery and equipment				998		998	998
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	109 713		2 500		(1 000)	1 500	111 213

Table 11.1.2: Adjusted Estimates - Sustainable Resource Management

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R/thousand							
1. Engineering Services	6 565						6 565
2. Land care	14 823		5 000			5 000	19 823
3. Land Use Management							
Subtotal	21 388		5 000			5 000	26 388
Direct charge against the Provincial Revenue Fund							
Item							
Total	21 388		5 000			5 000	26 388
Economic classification							
Current payments	19 388			(1 944)		(1 944)	17 444
Compensation of employees	14 823						14 823
Goods and Services	4 565			(1 944)		(1 944)	2 621
Interest and rent on land							
Transfers and subsidies to;			5 000			5 000	5 000
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households			5 000			5 000	5 000
Payments for capital assets	2 000			1 944		1 944	3 944
Buildings and other fixed structures							
Machinery and equipment				789		789	789
Cultivated assets	2 000			(945)		(945)	1 055
Software and other intangible assets							
Land and subsoil assets				2 100		2 100	2 100
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	21 388		5 000			5 000	26 388

Table 11.1.3: Adjusted Estimates - Farmer Support and Development

R'thousand	2010/11							
	Sub programme	Main appropriation	Adjustments			Appropriation		
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts		Other adjustments	Total adjustment appropriation
1. Farmer-settlement		75 772						75 772
2. Extension and Advisory Services		82 670	967				967	83 637
3. Food Security		1 725						1 725
Subtotal		160 167	967				967	161 134
Direct charge against the Provincial Revenue Fund								
Item								
Total		160 167	967				967	161 134
Economic classification								
Current payments		88 167			2 555		2 555	90 722
Compensation of employees		62 349						62 349
Goods and Services		25 818			2 555		2 555	28 373
Interest and rent on land								
Transfers and subsidies to;		26 000	967		(26 000)		(25 033)	967
Provinces and municipalities								
Departmental agencies and account								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households		26 000	967		(26 000)		(25 033)	967
Payments for capital assets		46 000			23 445		23 445	69 445
Buildings and other fixed structures		30 000			19 589		19 589	49 589
Machinery and equipment		11 000			(2 394)		(2 394)	8 606
Cultivated assets		5 000			6 250		6 250	11 250
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Specialised military assets								
Payments for financial assets								
Total		160 167	967				967	161 134

Table 11.1.4: Adjusted Estimates - Veterinary Services

Sub programme	2010/11						
	R thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
Roll-overs			Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Animal Health		31 242					31 242
2. Export Control							
3. Veterinary Public Health		3 812					3 812
4. Veterinary Laboratory Services		7 575					7 575
Subtotal		42 629					42 629
Direct charge against the Provincial Revenue Fund							
Item							
Total		42 629					42 629
Economic classification							
Current payments		42 629			(282)	(282)	42 347
Compensation of employees		35 161					35 161
Goods and Services		7 468			(282)	(282)	7 186
Interest and rent on land							
Transfers and subsidies to;							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets					282	282	282
Buildings and other fixed structures							
Machinery and equipment					282	282	282
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total		42 629					42 629

Table 11.1.5: Adjusted Estimates - Technology, Research and Development Services

Sub programme		2010/11					
R'thousand	Main appropriation	Adjustments			Appropriation		
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Research	17 238			9		9	17 247
2. Information Services	1 547						1 547
3. Infrastructure Support Services	35 960			(9)	(5 000)	(5 009)	30 951
Subtotal	54 745				(5 000)	(5 000)	49 745
Direct charge against the Provincial Revenue Fund							
Item							
Total	54 745				(5 000)	(5 000)	49 745
Economic classification							
Current payments	27 571			(123)		(123)	27 448
Compensation of employees	22 341						22 341
Goods and Services	5 230			(123)		(123)	5 107
Interest and rent on land							
Transfers and subsidies to:							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets	27 174			123	(5 000)	(4 877)	22 297
Buildings and other fixed structures	27 174			(128)	(5 000)	(5 128)	22 046
Machinery and equipment				251		251	251
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	54 745				(5 000)	(5 000)	49 745

Table 11.1.6: Adjusted Estimates - Agricultural Economics

Sub programme	2010/11						
	R'thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
Roll-overs			Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Agric-Business Development and Support		5 340					5 340
2. Macro-economics and Statistics		347					347
Subtotal		5 687					5 687
Direct charge against the Provincial Revenue Fund							
Item							
Total		5 687					5 687
Economic classification							
Current payments		5 687			(8)	(8)	5 679
Compensation of employees		4 571					4 571
Goods and Services		1 116			(8)	(8)	1 108
Interest and rent on land							
Transfers and subsidies to;							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets							
Buildings and other fixed structures					8	8	8
Machinery and equipment					8	8	8
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total		5 687					5 687

2010 Adjusted Estimates of Provincial Revenue and Expenditure

Table 11.1.7: Adjusted Estimates - Structured Agricultural Training

Sub programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
R'thousand							
1. Tertiary Education	10 113						10 113
2. Further Education and Training (FET)	4 407						4 407
Subtotal	14 520						14 520
Direct charge against the Provincial Revenue Fund							
Item							
Total	14 520						14 520
Economic classification							
Current payments	14 520			(42)		(42)	14 478
Compensation of employees	11 366						11 366
Goods and Services	3 154			(42)		(42)	3 112
Interest and rent on land							
Transfers and subsidies to;							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets				42		42	42
Buildings and other fixed structures							
Machinery and equipment				42		42	42
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	14 520						14 520

Details of adjustments to Estimates of Provincial Expenditure 2010

Roll-overs – R0.967 million

Programme 3: Farmer Support and Development

The total amount of roll-overs relates to projects implemented from Programme 3: Farmer Support and Development. An amount of R967 000 was rolled over to cover outstanding commitments in respect of two projects from the 2009/10 Ilima/Letsema conditional grant. The Department is constantly attempting to minimise its annual request for the roll-over of committed funds.

Unforeseeable/unavoidable expenditure – R7.500 million

Programme 1: Administration

The Department has in times of predictable inflation always made adequate provision for the annual Improvement in the Conditions of Service. In 2010/11, however, the final settlement rate of ICS of 7.5 per cent and an increased housing allowance of R800 per month in respect of most employees exceeded all reasonable indications. This resulted in the Department having to request a supplementation of its provision for compensation. An amount of **R2.500 million** is now made available.

Programme 2: Sustainable Resource Management

The Province experienced significant losses of grazing and livestock at the end of winter as a result of sporadic and uncontrollable veld fires. The appropriation of **R5.000 million** is a first for 2010/11 directed at the most pressing of immediate requirements.

Virements and shifts

There has been no virement of funds between main divisions of the vote during the first six months of the financial year.

The net result of all transactions reflected in the virement column is in actual fact a restatement of the economic classification of voted amounts to allow for the capitalisation of expenditure in respect of agricultural development-related projects. The restatement of the economic classification of budget is the direct result of the fact that the exact scope and nature of projects are unknown at the time of finalisation of the Estimates of Provincial Expenditure. The Department started reporting on economic classification basis in the In Year Monitoring and Management Model some three years ago and also in the Adjustment Estimates for 2009/10. Reporting on reclassified budget and expenditure is once again done in the current financial year. The result is a much improved alignment with the IYM model and eventually also with the financial statements at the end of the financial year.

Table 11.2: Details on virements and shifts within the department

Programmes Summary					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
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					
Programme 1			Programme 1		
Goods and services	Savings on the provision for items of a current nature	(998)	Machinery and equipment	Provision for equipment of a capital nature	998
Percentage of programme budget		1%			
Programme 2			Programme 2		
Goods and services	Increased capital requirements of projects	(1,944)	Machinery and equipment	Changed project requirements	789
Cultivated assets	Changed project requirements	(945)	Land and subsoil assets	Changed project requirements	2,100
Percentage of programme budget		13%			
Programme 3			Programme 3		
Households	Changed project nature and requirements	(26,000)	Goods and services	For shortfall	2,555
Machinery and equipment	Changed project requirements	(2,394)	Buildings and other fixed structures	Changed project requirements	19,589
			Cultivated assets	Changed project requirements	6,250
Percentage of programme budget		18%			
Programme 4			Programme 4		
Goods and services	Savings on the provision for items of a current nature	(282)	Machinery and equipment	Provision for laboratory equipment of a capital nature	282
Percentage of programme budget		1%			
Programme 5			Programme 5		
Goods and services	Increased capital requirements of Research and Glen	(123)	Machinery and equipment	Provision for equipment of a capital nature	251
Buildings and other fixed structures	Changed project requirements	(128)			
Percentage of programme budget		1%			
Programme 6			Programme 6		
Goods and services	Savings on the provision for items of a current nature	(8)	Machinery and equipment	Provision for laboratory equipment of a capital nature	8
Percentage of programme budget		0%			
Programme 7			Programme 7		
Goods and services	Savings on the provision for items of a current nature	(42)	Machinery and equipment	Provision for laboratory equipment of a capital nature	42
Percentage of programme budget		0%			
Total		(32,864)			32,864

Function shifts – (R6.000 million)**Programme 1: Administration**

An amount of **R1.000 million from voted transfer payments** is to be transferred from this Programme to the Provincial Department of Sports, Arts and Culture to defray part of the expenses incurred during hosting of World Cup 2010.

Programme 5: Technology, Research and Development Services

An amount of **R5.000 million** is to be suspended in the interest of service delivery from the Infrastructure Enhancement Allocation.

Gifts, donations and sponsorships – R0.750 million

The Department will make donations of **R0.750 million** to the district, provincial and category winners and runners-up of the annual Female Farmer of the Year event.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 11.3 Expenditure trends

R thousand	2009/10 Expenditure outcome					2010/11 Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1. Administration	131 870	55 202	41.86%	131 614	100%	111 213	59 981	54%
2. Sustainable Resource Mgmt	45 294	17 749	39.19%	44 331	97.87%	26 388	7 943	30%
3. Farmer Support & Development	129 071	34 735	26.91%	123 979	96.05%	161 134	41 053	25%
4. Veterinary Services	36 047	15 299	42.44%	37 081	102.87%	42 629	19 378	45%
5. Techn, Research & Dev Services	23 331	9 051	38.79%	21 775	93.33%	49 745	19 735	40%
6. Agricultural Economics	4 478	1 837	41.02%	4 658	104.02%	5 687	2 292	40%
7. Structured Agricultural Training	13 926	5 309	38.12%	11 801	84.74%	14 520	5 782	40%
Subtotal	384 017	139 182	36.24%	375 239	97.71%	411 316	156 164	37.97%
Direct charge against the Provincial Revenue Fund								
Total	384 017	139 182	36.24%	375 239	97.71%	411 316	156 164	37.97%
Current payments	292 812	121 456	41.48%	277 420	94.74%	304 582	135 442	44.47%
Compensation of employees	197 214	88 828	45.04%	191 978	97.35%	225 020	103 240	45.88%
Goods and services	95 598	31 040	32.47%	83 612	87.46%	79 562	32 202	40.47%
Interest and rent on land		1 588		1 830				
Transfers and subsidies	25 381	6 646	26.18%	26 127	102.94%	9 718	989	10.18%
Provinces and municipalities	55	31	56.36%	50	90.91%	60	20	33.33%
Departmental agencies and accounts	172		0.00%	172	100.00%	191		0.00%
Universities and technikons								
Public corporations & private enterprises								
Non-profit institutions								
Households	25 154	6 615	26%	25 905	102.99%	9 467	969	10.24%
Payments for capital assets	65 824	11 052	17%	71 322	108.35%	97 016	19 727	20.33%
Buildings and other fixed structures	60 069	8 884	15%	51 088	85.05%	71 635	16 451	22.97%
Machinery and equipment	1 724	390	23%	13 544	785.61%	10 976	1 110	10.11%
Specialised military assets								
Biological assets	2 946	1 271	43%	5 557	188.63%	12 305	2 127	17.29%
Software and other intangible assets				11		2 100	12	0.57%
Land and subsoil assets	1 085	507		1 122			27	
Payment for financial assets		28		370			6	
Total	384 017	139 182	36.24%	375 239	97.71%	411 316	156 164	37.97%

Selected expenditure trends for the first half of the 2010/11 financial year

Expenditure in the first six months of 2010/11 amounted to R156.164 million or 37.9 per cent of the adjusted budget. Pro rata expenditure during the previous financial year was almost R17.0 million less. The main reasons accounting for the spending trends are as follows:

Programme 1: Administration

The measure of increased expenditure under this Programme, relative to the previous financial year, can be attributed to the central payment of greatly increased transversal expenses associated with transport, audit cost, departmental events, campaigns and communication expenses.

Programme 2: Sustainable Resource Management

The reduced rate of spending from this specific Programme can be attributed to the fact that R5.0 million Disaster Management Relief funds are only now added to the budget. Furthermore, all the invader plant eradication projects run from the LandCare grant, from which a noteworthy contribution is made to the EPW Programme, are seasonable by nature and are only now starting after the first rains.

Programme 3: Farmer Support and Development

The slightly reduced rate of spending on this Programme can be attributed to the rate with which the two significantly increased conditional grants run from this Programme are implemented. Projects are in the process of being reprioritised in an attempt to increase the spending rate from both the Comprehensive Agricultural Support Programme (CASP) and the Ilima/Letsema Projects grant.

Programme 4: Veterinary Services

Pro rata expenditure from this Programme is more than the spending rate attained in the previous financial year, largely as a result of pressure from compensation and travelling expenses.

Programme 5: Technology, Research and Development Services

There has only been a slight increase in the spending rate from this Programme despite the fact that total aggregate expenditure has increased by almost R10.0 million. This is the result of this particular Programme now accommodating the budget for the upgrading of the Glen Campus of the Department. It should be kept in mind that some expenditure from this Programme is seasonal by nature.

Programme 6: Agricultural Economics

The deviation in pro rata spending between the two financial years is relatively insignificant.

Programme 7: Structured Agricultural Training

Expenditure by Non-Formal Training is strongly linked to the rate of expenditure from the Training and Capacity Building Project funded from CASP. The relatively slow spending rate from this grant is holding back the overall financial performance of the Programme. There has, however, been a small increase in pro rata expenditure.

Economic Classification

Current Payments

Current expenditure during the first half of the financial year is R13.964 million or 2.98 per cent more than during the previous financial year largely as a result of the reasons cited for Programme 1: Administration. It is anticipated that the increase in compensation will greatly increase the spending rate on current payments.

Transfers and subsidies

Transfer payments to the value of only R989 000 were made during the first six months of the financial year. This is R5.657 million less than during the corresponding period of 2009/10 largely attributable to the fact that the financial year did not start out with voted transfer funds for Disaster Management.

Payments for capital assets

The monetary value of capital spending has increased considerably, relative to the same period of the previous financial year. Spending and investment of the remainder of the capital budget in the last six months of 2010/11 will not be without its challenges.

Departmental receipts

Table 11.4 Expenditure trends

	2009/10 Receipts outcome					2010/11 Preliminary receipts			
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 2009 - Mar 2010 % adjusted appropriation	Budget estimate	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 2010 - Sep 2010 % adjusted appropriation
R thousand									
Departmental receipts	2 602	1 173	45.08%	3 526	135.51%	2 708	2 977	2 233	75.01%
Tax receipts									
Sales of goods and services other than	1 972	854	43.31%	1 686	85.50%	2 051	1 809	1 270	70.20%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	70	32	45.71%	948	1354.29%	75	35	3	8.57%
Sales of capital assets									
Financial transactions in assets and	560	287	51.25%	892	159.29%	582	1 133	960	84.73%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	2 602	1 173	45.08%	3 526	135.51%	2 708	2 977	2 233	75.01%

Main departmental revenue trends for the first half of 2010/11

The reduced budget for revenue relative to that of the previous financial year can mostly be attributed to the arrangement in terms of which the Department will no longer be collecting land rent on behalf of the Department of Land Affairs. The increase in the pro rata collection of own revenue can be attributed to the receipt of interest from the former Project Management Unit fund. The collection of revenue in this financial year has resulted in the Department increasing its target for the collection of own revenue towards the end of the financial year by a modest margin to R2.977 million.

Changes to transfers and subsidies, including conditional grants

Table 11.5 Summary of changes to transfers and subsidies per programme

R thousand	2010/11							
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement	Function Shift	Other adjustments	Total additional appropriation	Adjusted appropriation
1. Administration	4 751					(1 000)	(1 000)	3 751
MEC's Outreach Programme	1 000							1 000
Leave gratuities	3 500							3 500
Vehicle licences	60					(1 000)	(1 000)	(940)
AgriSETA	191							191
2. Sustainable Resource Management			5 000				5 000	5 000
Disaster Management			5 000				5 000	5 000
3. Farmer Support & Development	26 000	967		(26 000)			(25 033)	967
CASP projects								
Ilima/Letsema grant	26 000	967		(26 000)			(25 033)	967
Total transfers and subsidies	30 751	967	5 000	(26 000)		(1 000)	(21 033)	9 718

Table 11.6 Summary of changes to conditional grants: Provinces

R thousand	2010/11						
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments	Total additional appropriation	Adjusted appropriation
2. Sustainable Resource Management	4 360						4 360
LandCare	4 360						4 360
Disaster Management							
3. Farmer Support and Development	101 772	967				967	102 739
CASP	75 772						75 772
Ilima/Letsema	26 000	967				967	26 967
Total conditional grant: Province	106 132	967				967	107 099

Table 11.7 Revised infrastructure project list

No.	Project name	Municipality	Source of funding	Project description	Project duration		Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2010/11 (TO)	Total budget 2010/11 (FROM)	Captured on EPR&E Yes/No	EPWP Yes/No
					Date: Start	Date: Finish									
1. New and replacement assets (R thousand)															
1	BLYDSKAP CHICKEN HOUSE	Leisemeng	CASP	Poultry	01/04/2010	31/03/2011	3	520 000				(80 000)	Yes	No	
2	ULEMO DAIRY (09-10/443)CAP	Leisemeng	CASP	Dairy	01/04/2010	31/03/2011	3	24 000			24 000		Yes	No	
3	KWAJOLA TRUST (08-09/279)CAP	Kopanong	CASP	Poultry	01/04/2010	31/03/2011	3	131 000			131 000		Yes	No	
4	NEW BEGINNINGS	Leisemeng	CASP	Vegetables	01/04/2010	31/03/2011	3	140 000				(60 000)	Yes	No	
5	NUWEJAARSKRAAL	Kopanong	CASP	Mixed farming	01/04/2010	31/03/2011	3	160 000				(440 000)	Yes	No	
6	SUSTERSROOM - NTLAI	Mohokare	CASP	Livestock	01/04/2010	31/03/2011	3	650 000				(450 000)	Yes	No	
7	MANGAUTHEO CO-OPERATIVE	Mangaung	CASP	Crops	01/04/2010	31/03/2011	3	0				(265 000)	Yes	No	
8	LEWELPUTSWA IRRIGATION PROJECTS	Majlhabeng	CASP	Irrigation	01/04/2010	31/03/2011	3	1 160 000			200 000		Yes	No	
9	LIVSTK IMPRV PRJ (09-10/430)CAP	Whole district	CASP	Livestock	01/04/2010	31/03/2011	3	27 000			27 000		Yes	No	
10	DISTRICT POULTRY AGRO-PROCESSING PROJECT	Mafube	CASP	Agro-processing	01/04/2010	31/03/2011	3	0				(600 000)	Yes	No	
11	SHANGO LASHU (08-09/310)CAP	Ngwathe	CASP	Livestock	01/04/2010	31/03/2011	3	15 000			15 000		Yes	No	
12	MOKONUTLO TRUST (08-09/349)CAP	Whole district	CASP	Livestock	01/04/2010	31/03/2011	3	194 000			194 000		Yes	No	
13	FEZILE DABI POULTRY PROJECTS	Whole district	CASP	Poultry	01/04/2010	31/03/2011	3	3 375 000			600 000		Yes	No	
14	PROVINCIAL AGRICULTURAL SUPPORT	Mangaung	CASP	Agricultural Support	01/04/2010	31/03/2011	3	532 000			532 000		Yes	No	
15	AGRI-PARK	Seiselo	Ilima Leisema	Market Centre	01/04/2010	31/03/2011	3	1 000 000				(1 000 000)	Yes	No	
16	KOPANANG COOPERATIVE	Whole district	Ilima Leisema	Meganization	01/04/2010	31/03/2011	3	1 000 000				(1 000 000)	Yes	No	
17	WATER PROJECT THABA MUFUTSANYANE	Whole district	Ilima Leisema	Livestock	01/04/2010	31/03/2011	3	940 000			140 000		Yes	No	
18	INTERGRATED RURAL & AGRIC DEV	Difaabeng	Ilima Leisema	Dam, Irrigation and water supply	01/04/2011	31/03/2012	3	250 000			250 000		No	No	
19	RE YA HOLA COOPERATIVE	Nketoane	Ilima Leisema	Livestock	01/04/2011	31/03/2012	3	1 000 000			1 000 000		No	No	
20	AGRICULTURAL SUPPORT PROJECT	All municipalities	Ilima Leisema	Mixed farming	01/04/2011	31/03/2012	3	4 010 000			1 010 000		Yes	No	
Total New replacement assets												4 123 000	(3 895 000)		

3. Upgrades and additions (R thousand)													
1	GLENUPGRA DING (08-09/219)CAP	Masiomyana	IEA	Office infrastru	01/04/2010	31/03/2011	2	22 174 000			(5 000 000)	No	
Total Upgrades and additions												(5 000 000)	
300 000													
4. Rehabilitation, renovations and refurbishments (R thousand)													
1	SRINGFONTE IN COMMONAGE (08-09/219)CAP	Kopanong	CASP	Livestock	01/04/2010	31/03/2011	3	300 000			(110 000)	Yes	No
2	ITERELENG CPA (09-10/436)CAP	Letsemeng	CASP	Irrigation	01/04/2010	31/03/2011	3	1 530 000		330 000		Yes	No
3	LEMA-O-PHELE (08-09/275)CAP	Mohokare	CASP	Livestock	01/04/2010	31/03/2011	3	370 000		70 000		Yes	No
4	PHINDISO (09-10/441)CAP	Letsemeng	CASP	Mixed farming	01/04/2010	31/03/2011	3	515 000			(135 000)	Yes	No
5	SUNRISE XHARIEP (09-10/499)CAP	Mohokare	CASP	Poultry	01/04/2010	31/03/2011	3	0			(200 000)	Yes	No
6	MOTHEO LIVESTOCK PR (09-10/42) Mangauing		CASP	Livestock	01/04/2010	31/03/2011	3	965 000			(340 000)	Yes	No
7	THITAPOHO (07-08/30)CAP	Manisopa	CASP	Irrigation	01/04/2010	31/03/2011	3	2 700 000		1 000 000		Yes	No
8	THITAPOHO (07-08/30)CAP	Manisopa	Ilirna Letsema	Irrigation	01/04/2010	31/03/2011	3	100 000		100 000		Yes	No
9	FICKSBRG WM ASP (09-10/459)CAP	Saisoto	CASP	Vegetables	01/04/2010	31/03/2011	3	865 000		300 000		Yes	No
10	DISTRICT PLTRY PR (09-10/462)CA	Metsimaholo	CASP	Poultry	01/04/2010	31/03/2011	3	0			(600 000)	Yes	No
11	FATING & FEDLO UNIT (08-09/346)Ngwathe		CASP	Livestock	01/04/2010	31/03/2011	3	0			(500 000)	Yes	No
12	HEILBRON COMMUNITY PIGGERY PLANT	Ngwathe	CASP	Piggery	01/04/2010	31/03/2011	3	1 200 000		600 000		Yes	No
13	PARYS HYDROPONICS (08-09/399)Ngwathe		CASP	Vegetables	01/04/2010	31/03/2011	3	1 280 000		680 000		Yes	No
14	OLIFANTS TRUST (08-09/051)CAP	Ngwathe	CASP	Piggery	01/04/2010	31/03/2011	3	0			(180 000)	Yes	No
15	ITEKENG POULTRY (08-09/263)CAP	Metsimaholo	CASP	Poultry	01/04/2010	31/03/2011	3	107 000		107 000		Yes	No
16	VETERINARY PROJECT	All municipalities	CASP	Veterinary	01/04/2010	31/03/2011	3	2 120 000			(890 000)	Yes	No
Total rehabilitation, renovations and refurbishments												3 187 000 (2 955 000)	

5. Non-Assets related projects														
1	VUKANE MA AFRIKA	Leisemeng	Ilima Letsema	Irrigation	01/04/2010	31/03/2011	3	0				(300 000)	Yes	No
2	GOATS TROMPSBURG	Kopanong	Ilima Letsema	Livestock	01/04/2010	31/03/2011	3	0				(50 000)	Yes	No
3	COMMUNITY GARDENS	Whole district	Ilima Letsema	Vegetable	01/04/2010	31/03/2011	3	170 000			70 000		Yes	No
4	RATSWANO WARD	Mohokare	Ilima Letsema	Vegetable	01/04/2010	31/03/2011	3	0				(20 000)	Yes	No
5	MUSHROOMS WARD	Kopanong	Ilima Letsema	Vegetable	01/04/2010	31/03/2011	3	0				(200 000)	Yes	No
6	ILIMA LEJWEL(09-10/513)TRNS	Whole district	Ilima Letsema	Equipment	01/12/2010	31/03/2011	3	66000			66 000		No	No
7	ILIMA F/D(09-10/515)TRNS CUR	Whole district	Ilima Letsema	Livestock	01/12/2010	31/03/2011	3	901 000			901 000		No	No
Total Non-Assets related projects									1 137 000		1 037 000	(570 000)		
6. Infrastructure projects under retention														
1	MAHAU TRUST (08-09/383)C	Leisemeng	CASP	Crops	01/04/2010	31/03/2011	3	140 000			40 000		Yes	No
Total Infrastructure projects under retention									140 000		40 000	0		
Grant total											8 387 000	(12 420 000)		

Department of Sport, Arts, Culture and Recreation

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	373 423	387 440	(17 407)	31 424
<i>of which:</i>				
Current payments	241 768	268 668		26 900
Transfers and subsidies	62 736	67 260		4 524
Payments for capital assets	68 919	51 512	(17 407)	
Payments for financial assets				
Revenue Fund	373 423	387 440	(17 407)	31 424
Executive Authority	MEC for Sport, Arts, Culture and Recreation			
Accounting Officer	Superintendent-General for Sport, Arts, Culture and Recreation			
Website address	www.sacr.fs.gov.za			

Aim

Vision

Championing social transformation

Mission

Creation of an enabling environment for social cohesion and nation building by:

- Establishing structures of civil society to improve levels of governance and administration within sport, arts, culture and recreation;
- Implementing inclusive programmes that enhance and retain Free State talent and capacity within sport, arts, culture and recreation as well as ensuring developmental pathways towards healthy lifestyles and excellence;
- Promoting intra and inter participation and cooperation within all spheres of government; and
- Promoting sport, arts, culture and recreation tourism within and into the Free State Province.

Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives.

Mid-year performance status

The Department of Sport, Arts, Culture and Recreation has experienced the following changes during the 2010/11 financial year:

Indicator	Programme	Outcome	Annual performance		
			Projected for 2010/11 as published in the 2010 EPE	Achieved in the first six months of 2010/11 (April to September)	Changed estimate for 2010/11
Number of Museums managed by the department in community participation structures: Municipalities	Programme 2: Museum and Heritage resource Services	10	9	9	Currently museums are 10 and at the end of 2010/11 one should have been closed to remain with 9
Number of partnership agreements concluded	Programme 2: Museum and Heritage resource Services		0	2	1 Agreement to be entered with the National Heritage Council.
Number of facilities developed in disadvantaged areas	Programme 2: Museum and Heritage resource Services		2	1	1 Facility to be developed in Phillipolis. 1
Number of adults visiting the facilities	Programme 2: Museum and Heritage resource Services		10000	16551	FIFA World Cup tourists increased number of visitations. 20000
Number of visits from schools	Programme 2: Museum and Heritage resource Services		4	3140	The number increased due to World Cup; and this will be back to normal. 10
Number of brochures and publications distributed	Programme 2: Museum and Heritage resource Services		100	3400	The increase was due to World Cup; and numbers will be back to normal in the next 6 months.
Number of exhibitions staged	Programme 2: Museum and Heritage resource Services		5	8	3 Due to the World Cup there was an increase in soccer exhibitions staged.
Number of programmes promoting cultural tourism	Programme 2: Museum and Heritage resource Services		5	7	3 Due to the World Cup programmes promoting cultural tourism increased.
Number of Heritage sites identified included in tourism routes	Programme 2: Museum and Heritage resource Services		2	38	Signed between DSACR and the Heritage Foundation. 1
Number of Service Level Agreements	Programme 2: Museum and Heritage resource Services		2	1	2
Number of Geographical place names reviewed	Programme 2: Museum and Heritage resource Services		5	14	5

As published in the 2010 EPE	Programme linked to the indicator	Outcome the indicator is linked to (if relevant)	Projected for 2010/11 as published in the 2010 EPE	Achieved in the first six months of 2010/11 (April to September)	Changed estimate for 2010/11
Number of documents translated	Programme 2: language services		400	112	translator post there is no dedicated official to do English/Sesotho translations;hence the inability to meet the target.
Number of documents made accessible to persons with disabilities	Programme 2: language services		1	1	The project was postponed to the next financial year due to the unavailability of Braille printing resources. 0
Number of interpreting services rendered	Programme 2: language services		10	23	In order to give the two Interpreting interms much needed practice more interpreting sessions were undertaken. With their period extended to June 2011 the target of 33 will be reached. 33
Number of persons empowered to deliver translations services	Programme 2: language services		30	44	The planned number was exceeded because of the enthusiasm and please to accommodate an additional 14 youths to our translation training. 44
Number of athletes supported through High Performance programmes	Programme 4: Sport		3800	1675	2230
Number of sport administrators trained volunteers	Programme 4: Sport		150	0	100
Number of coaches trained	Programme 4: Sport		650	68	600
Number of athletes benefiting from Sport development activities	Programme 4: Sport		450	152	450
Number of recreation structures supported	Programme 4: recreation	2	25	0	0
Number of Recreational Sport Events/ programmes	Programme 4: recreation		6	0	0
Number of participants in recreational sport events/ programmes	Programme 4: recreation		13810	0	0
Number of learners participating	Programme 4: School Sport	2	1175	108	540
Number of teams delivered	Programme 4: School Sport		25	1	4
Number of talented athletes ID that were taken up into high performance structures/ programmes	Programme 4: School Sport		450	0	165

Adjusted Estimates of Provincial Expenditure 2010

Table 12.1: Adjusted Estimates

Programme	2010/11						
	Main appropriation	Adjustments				Appropriation	
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Administration	42 647			608	(442)	166	42 813
2. Cultural Affairs	87 924	1 782		760	(442)	2 100	90 024
3. Library and Archive Services	84 289	1 439		(1 580)	(442)	(583)	83 706
4. Sport and Recreation	158 563	1 564		212	10 558	12 334	170 897
Subtotal	373 423	4 785			9 232	14 017	387 440
Direct charge against the Provincial Revenue Fund							
Item							
Total	373 423	4 785			9 232	14 017	387 440
Economic Classification							
Current payments	241 768	159		(350)	27 091	26 900	268 668
Compensation of employees	138 015			(1 580)	(8 409)	(9 989)	128 026
Goods and Services	103 753	159		1 230	35 428	36 817	140 570
Interest and rent on land					72	72	72
Transfers and subsidies to;	62 736			350	4 174	4 524	67 260
Provinces and municipalities	43 778				3 135	3 135	46 913
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises	10 917			350		350	11 267
Foreign governments and international organisations							
Non-profit institutions	8 041				930	930	8 971
Households					109	109	109
Payments for capital assets	68 919	4 626			(22 033)	(17 407)	51 512
Buildings and other fixed structures	57 430	4 626			(16 617)	(11 991)	45 439
Machinery and equipment	11 489				(5 416)	(5 416)	6 073
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	373 423	4 785			9 232	14 017	387 440

Table 12.1.1: Adjusted Estimates - Administration

Sub programme	Additional appropriation					Total additional appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virement	Other adjustments		
	R'000	R'000	R'000	R'000	R'000		
1 Office of the MEC	15 615			145		145	15 760
2 Corporate Services	27 032			463	(442)	21	27 053
Subtotal	42 647			608	(442)	166	42 813
Direct change against the Provincial Revenue Fund							
Item							
Total	42 647			608	(442)	166	42 813
Current payments	41 581			608	382	990	42 571
Compensation of employees	34 146				(2 032)	(2 032)	32 114
Goods and services	7 435			608	2 396	3 004	10 439
Interest and rent on land					18	18	18
Transfers and subsidies to:							
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international							
Non-profit institutions							
Households							
Payments for capital assets	1 066				(824)	(824)	242
Buildings and other fixed structures							
Machinery and equipment	1 066				(824)	(824)	242
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Total	42 647			608	(442)	166	42 813

Table 12.1.2: Adjusted Estimates - Cultural Affairs

Sub programme	2010/11						
	R'thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts		
1 Management	4 709			260	(1 335)	(1 075)	3 634
2 Arts and Culture	45 921	65		500	3 466	4 031	49 952
3 Museum and Heritage Services	34 879	1 717			(2 647)	(930)	33 949
4 Language and Translation Services	2 415				74	74	2 489
Subtotal	87 924	1 782		760	(442)	2 100	90 024
Direct charge against the Provincial Revenue Fund							
Item							
Total	87 924	1 782		760	(442)	2 100	90 024
Economic classification							
Current payments	65 912			760	9 760	10 520	76 432
Compensation of employees	40 581				(1 509)	(1 509)	39 072
Goods and Services	25 331			760	11 264	12 024	37 355
Interest and rent on land					5	5	5
Transfers and subsidies to;	7 441				(3 862)	(3 862)	3 579
Provinces and municipalities					2 000	2 000	2 000
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions	7 441				(5 930)	(5 930)	1 511
Households					68	68	68
Payments for capital assets	14 571	1 782			(6 340)	(4 558)	10 013
Buildings and other fixed structures	14 206	1 782			(7 162)	(5 380)	8 826
Machinery and equipment	365				822	822	1 187
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	87 924	1 782		760	(442)	2 100	90 024

Table 12.1.3: Adjusted Estimates - Library and Archival Services

Sub programme	2010/11						
	R'thousand	Main appropriation	Adjustments			Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts		
1 Management	2 394			(24)	829	805	3 199
2 Library Services	78 849	1 439		(1 362)	(1 249)	(1 172)	77 677
3 Archive Services	3 046			(194)	(22)	(216)	2 830
Subtotal	84 289	1 439		(1 580)	(442)	(583)	83 706
Direct charge against the Provincial Revenue Fund							
Item							
Total	84 289	1 439		(1 580)	(442)	(583)	83 706
Economic classification							
Current payments	65 134	54		(1 580)	(105)	(1 631)	63 503
Compensation of employees	36 167			(1 580)	(21)	(1 601)	34 566
Goods and Services	28 967	54			(119)	(65)	28 902
Interest and rent on land					35	35	35
Transfers and subsidies to;	250				34	34	284
Provinces and municipalities	250						250
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households					34	34	34
Payments for capital assets	18 905	1 385			(371)	1 014	19 919
Buildings and other fixed structures	11 577	1 385			3 680	5 065	16 642
Machinery and equipment	7 328				(4 051)	(4 051)	3 277
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	84 289	1 439		(1 580)	(442)	(583)	83 706

Table 12.1.4: Adjusted Estimates - Sport and Recreation

Sub programme	2010/11						
	Main appropriation	Adjustments				Total adjustment appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virements and shifts	Other adjustments			
R'thousand							
1 Management	2 153				(992)	(992)	1 161
2 Sport	90 589	1 459		4	(10 842)	(9 379)	81 210
3 Recreation	27 595	105			(1 312)	(1 207)	26 388
4 School Sport	16 349			(884)	(1 061)	(1 945)	14 404
5 2010 FIFA World Cup	10 960			742	24 765	25 507	36 467
6 Phakisa	10 917			350		350	11 267
Subtotal	158 563	1 564		212	10 558	12 334	170 897
Direct charge against the Provincial Revenue Fund							
Item							
Total	158 563	1 564		212	10 558	12 334	170 897
Economic classification							
Current payments	69 141	105		(138)	17 054	17 021	86 162
Compensation of employees	27 121				(4 847)	(4 847)	22 274
Goods and Services	42 020	105		(138)	21 887	21 854	63 874
Interest and rent on land					14	14	14
Transfers and subsidies to;	55 045			350	8 002	8 352	63 397
Provinces and municipalities	43 528				1 135	1 135	44 663
Departmental agencies and account Universities and technikons							
Public corporations and private enterprises	10 917			350		350	11 267
Foreign governments and international organisations							
Non-profit institutions	600				6 860	6 860	7 460
Households					7	7	7
Payments for capital assets	34 377	1 459			(14 498)	(13 039)	21 338
Buildings and other fixed structures	31 647	1 459			(13 135)	(11 676)	19 971
Machinery and equipment	2 730				(1 363)	(1 363)	1 367
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	158 563	1 564		212	10 558	12 334	170 897

Details of adjustments to Estimates of Provincial Expenditure 2010**Roll-overs - R4.785 million****Programme 2: Cultural Affairs**

- Infrastructure projects contracted and not finalised by 31 March 2010:
 - ❖ Military Museum R 166 000
 - ❖ Zamdela Cultural Centre R 65 000
 - ❖ Philippolis Museum R1 551 000

Programme 3: Library and Archives Services

- Conditional grant: orders placed for library books not delivered on 31 March 2010:
 - ❖ Orders not delivered R 54 000
- Infrastructure projects contracted and not finalised by 31 March 2010:
 - ❖ Edenville Library R1 385 000

Programme 4: Sport and Recreation

- Conditional grant - Mass Sport Participation Programme: orders placed for sport and recreation programmes not delivered on 31 March 2010:
 - ❖ Orders not delivered R 105 000
- Infrastructure projects contracted and not finalised by 31 March 2010:
 - ❖ FRSSSI Office Accommodation R1 459 000

Virements and Shifts

Table 12.2: Details on virements and shifts within a department

Programmes Summary					
1. Administration					
2. Cultural Affairs					
3. Library and Archival Services					
4. Sport and Recreation					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 3: Library and Archival Services			Programme 1: Administration		
		1 580			608
Compensation of employees	Vacant posts not filled	1 580	Goods and services	For shortfall in lease: office buildings	608
Percentage of programme budget					
			Programme 2: Cultural Affairs		760
			Goods and services	For shortfall of Freedom Day expenditure	760
Percentage of programme budget					
			Programme 4: Sport and Recreation		212
			Transfer payments	Increase to support a sport event of Phakisa Major Sport Events and Development Corporation	212
Percentage of programme budget			2%		
Total		1 580			1 580

Shifts within the economic classification

Compensation of employees: Decrease by R8.409 million

Conditional grant compensation decrease was mainly a result of re-alignment of the Department's budget to the business plans of the conditional grant from Sport and Recreation SA (R2.261 million).

Funded vacancies having been identified during the first half of the 2009/10 financial year not to be filled in order to address budget pressures such as Freedom Day celebrations. 2010 FIFA World Cup expenses (R6.148 million).

Goods and services: Net increase by R26.156 million

2010 FIFA World Cup related activities on provincial level in order to ensure the staging of a successful 2010 FIFA World Cup (R13.660 million).

Transfer payments initially earmarked for Film Commission and Productivity SA utilised, to outsource services of Free State film development and craft development (R6 million).

Re-alignment of the Department's budget to the business plans (which were approved late during March 2010) of the conditional grants from the Department of Arts and Culture and Sport and Recreation SA (R0.473 million).

Various functions which were inadequately budgeted for, such as Freedom Day celebrations and other overhead expenditure (R6.023 million).

Interest and rent on land: Increase by R0.072 million

Re-classification of a part of communication expenses to interest on lease payment in terms of the Standard Chart of Accounting.

Transfer payments: Net increase by R4.174 million

Provinces and municipalities: Increase by R3.135 million for the following:

- Infrastructure project (Winnie Mandela Museum) to be expedited by means of a transfer payment to Metsimaholo Municipality (R2 million).
- Additional transfer payments in order to assist the following municipalities to finalise the infrastructure projects (High performance and local talent development centres) from previous year (R1.135 million):
 - ❖ Fezile Dabi District Municipality (Sasolburg) R0.736 million
 - ❖ Lejweleputswa District Municipality (Thabong) R0.400 million

Non profit institutions: Net increase by R0.930 million as follows:

- Transfer payments initially earmarked for Film Commission (R5 million) and Productivity SA (R1 million) utilised to outsource services of Free State film and craft development respectively (decrease by R6 million).
- Increase in transfer payment to Free State Geographical Names Committee in order to cover a shortfall in the Committee's budget (R0.070 million).
- Increase in transfer payment to Free State Sport Confederation (R6.8 million) and other sport bodies (R0.060 million) in order to enable them to execute their duties relating to sport development and events in civil society.

Households: Increase by R0.109 million as a result of leave payouts on retirement.

Buildings and other fixed structures: Net decrease by R16.617 million

Diversion of the eight outdoors multi-purpose sport courts to cover 2010 FIFA World Cup expenses (R12 million).

Conversion of non-performing infrastructure projects by R6.5 million in order to address various budget pressures such as Security Services, new infrastructure projects for Afrikaans Literary Museum, Heritage Day celebrations and furniture for conference and restaurant facilities at Basotho Cultural Village, and containers to transport crafts during major events.

Addition of infrastructure projects to enable the refurbishing of Afrikaans Literary Museum and Seloshesha Depository in terms of a service level agreement (R1.338 million).

Infrastructure projects added in order to align Community Library Services Conditional Grant with the business plan - R3.680 million (approved late during March 2010).

Infrastructure projects to be utilised as transfer payment to municipalities (decrease by R3.135 million).

Machinery and equipment: Net decrease by R5.416 million

Re-alignment of the Department's budget to the business plans (which were approved late during March 2010) of the conditional grant from the Department of Arts and Culture (decrease by R3.740 million).

Additional acquisition of assets such as containers for craft transportation (Increase by R963 000).

Reclassification of capital items to equipment below R5 000 under goods and services, as well as reprioritisation of under-spending to address increasing overhead expenditure (decrease by R2.639 million).

Other adjustments – R9.232 million

Expenditure already announced in the budget speech of the MEC for Finance but not allocated at that stage:

Programme 4: Sport and Recreation (2010 FIFA World Cup)

Additional funding of R11 million has been allocated from other departments in the province to cover costs related to mobile public viewing areas and associated costs.

Function shifts

Funds shifted between votes or to follow the transfer of functions in terms of section 42 of the PFMA and Treasury Regulation 6.5.

R1.768 million will be transferred from the Department of Sport, Arts, Cultural and Recreation to the Department of Premier for the share in organisational consultancy expenses undertaken by the latter Department:

Programme 1: Administration	R442 000
Programme 2: Cultural Affairs	R442 000
Programme 3: Library and Archival Services	R442 000
Programme 4: Sport and Recreation	R442 000

Self-financing expenditure (Donor Funds)**Programme 2: Cultural Affairs**

R2.710 million has been realised from sponsorship raised for the specific purpose of MACUFE 2010 to be utilised for MACUFE 2010 expenses. The funds are being surrendered into the Provincial Revenue Fund and a submission is being prepared to the Provincial Treasury for approval to access the sponsorship funds.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 12.3 Expenditure trends

R thousand	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 2009 - Mar 2010	Apr 09 - Mar 10 % adjusted appropriation	Adjusted appropriation	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted appropriation
1 Administration	38 407	19 625	51.10%	38 405	100%	42 813	20 849	49%
2 Cultural Affairs	115 638	63 662	55.05%	113 812	98.42%	90 024	48 496	54%
3 Library and Archive Services	74 019	22 852	30.87%	72 508	97.96%	83 706	30 994	37%
4 Sport and Recreation	139 029	89 919	64.68%	136 168	97.94%	170 897	87 104	51%
Subtotal	367 093	196 058	53.41%	360 893	98.31%	387 440	187 443	48.38%
Direct charge against the Provincial Revenue Fund								
Total	367 093	196 058	53.41%	360 893	98.31%	387 440	187 443	48.38%
Current payments	252 233	132 737	52.62%	251 850	99.85%	268 668	144 967	53.96%
Compensation of employees	103 727	47 234	45.54%	103 654	99.93%	128 026	56 191	43.89%
Goods and services	147 967	85 496	57.78%	147 658	99.79%	140 570	88 704	63.10%
Interest and rent on land	241		0.00%	241	100.00%	72	72	100.00%
Financial transactions in assets and liabilities	298	7	2.35%	297	99.66%			
Transfers and subsidies	75 092	55 476	73.88%	75 092	100.00%	67 260	26 581	39.52%
Provinces and municipalities	39 293	35 806	91.13%	39 293	100.00%	46 913	13 528	28.84%
Departmental agencies and accounts								
Universities and technikon								
Public corporations & private enterprises	24 213	18 045	74.53%	24 213	100.00%	11 267	6 417	56.95%
Non-profit institutions	10 382	1 040	10.02%	10 382	100.00%	8 971	6 541	72.91%
Households	1 204	585	48.59%	1 204	100.00%	109	95	87.16%
Payments for capital assets	39 768	7 845	19.73%	33 951	85.37%	51 512	15 896	30.86%
Buildings and other fixed structures	32 365	6 967	21.53%	26 605	82.20%	45 439	13 356	29.39%
Machinery and equipment	7 383	878	11.89%	7 326	99.23%	6 073	2 540	41.82%
Specialised military assets								
Cultivated assets								
Software and other intangible assets	20		0.00%	20	100.00%			0.00%
Land and subsoil assets								
Payments for financial assets								
Total	367 093	196 058	53.41%	360 893	98.31%	387 440	187 444	48.38%

Selected expenditure trends for the first half of the 2010/11 financial year

Programme 1: Administration

The expenditure trend in the first six months of the 2010/11 financial year is 6 per cent higher in comparison with the same period in 2009/10 financial year, due to sustaining of the cross-cutting functions of the Department such as security management, and communication and marketing, to effectively support the Department as a whole.

Programme 2: Cultural Affairs

The expenditure trend in the first six months of the 2010/11 financial year is 24 per cent lower compared to the expenditure of the same period in 2009/10 financial year. This is mainly due to the downscaling in the MACUFE budget.

Programme 3: Library and Archives Services

The expenditure trend in the first six months of the 2010/11 financial year is 35 per cent higher in comparison with the same period in the 2010/11 financial year, due to the relative accelerating spending in conditional grant.

Programme 4: Sport and Recreation

The expenditure trend in the first six months of the 2010/11 financial year is in line with the expenditure trend in the same period of the 2009/10 financial year.

Economic classification:**Current payments**

The current payment increased by 9 per cent in comparison with the corresponding period of the previous financial year, as a result of cautious budget management.

Transfers and subsidies

The lower transfer payments during the first six months of the 2010/11 financial year was mainly due to the R30 million yet to be released for the Fezile Dabi Sport Stadium.

Payments for capital assets

The expenditure trend for Machinery and Equipment during the first six months of the 2010/11 financial year is 24 per cent higher in comparison with the same period of the previous financial year, due to the accelerating in the Library Services Conditional Grant with the ICT outlay in various libraries.

Departmental receipts

Table 12.4 Expenditure trends

R thousand	2009/10				2010/11				
	Audited outcome				Actual receipts				
	Adjusted estimate	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 09 - Mar 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr10 - Sep 10 % of adjusted estimate	
Departmental receipts	10 503	1 034	9.84%	6 804	64.78%	11 136	4 165	1 268	30.44%
Tax receipts									
Sales of goods and services other than Transfers received	10 384	989	9.52%	6 674	64.27%	11 007	4 000	1 190	29.75%
Fines, penalties and forfeits	12	2	16.67%	3	25.00%	12	18	8	44.44%
Interest, dividends and rent on land	33	3	9.09%	13	39.39%	35	60	30	50.00%
Sales of capital assets	2	2	100.00%	7	350.00%	3	7	3	42.86%
Financial transactions in assets and liabilities	72	38	52.78%	107	148.61%	79	80	37	46.25%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	10 503	1 034	9.84%	6 804	64.78%	11 136	4 165	1 268	30.44%

Main departmental revenue trends for the first half of 2010/11

The revenue collection in the first six months of the 2010/11 financial year is 22 per cent higher compared to the revenue of the same period in 2009/10 financial year. This is mainly due to improved revenue collections in some areas not relating to MACUFE ticket sales.

Due to the lower budget allocation for MACUFE 2010, resulting into a lower number of shows, the revenue budget has to be revised downwards to R4.165 million.

Changes to transfers and subsidies, including conditional grants

Table 12.5: Summary of changes to transfers and subsidies per programme

R thousand	2010/11						
	Main appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable / unavoidable	Virement and shifts	Other adjustments			
Programme 2: Cultural Affairs	7 441				(3 862)	(3 862)	3 579
Provinces and Municipalities							
Metsimaholo Municipality				2 000		2 000	2 000
Non-profit Institutions							
Productivity SA	1 000				(1 000)	(1 000)	
Arts, Heritage and Language Councils	1 441				70	70	1 511
Film Commission	5 000				(5 000)	(5 000)	
Households					68	68	68
Programme 3: Library and Archive	250				34	34	284
Provinces and Municipalities							
Kopanong Municipality	83						83
Naledi Municipality	83						83
Metsimaholo Municipality	84						84
Households					34	34	34
Programme 3: Sport and Recreation	55 045			350	8 002	8 352	63 397
Provinces and Municipalities							
Fezile Dabi District Municipality	43 528						43 528
Fezile Dabi District Municipality					399	399	399
Lejweleputswa District Municipality					736	736	736
Public Corporation							
Phakisa Major Sport Events and Development Corporation	10 917			350		350	11 267
Non-profit Institutions							
Free State Sport Academy	600						600
Free State Sport Confederation					6 800	6 800	6 800
Other sport bodies					60	60	60
Households					7	7	7
Total transfers and subsidies	62 736			350	4 174	4 524	67 260

Table 12.6: Summary of changes to conditional grants

		2010/11					
R thousand	Main appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
Programme 3: Library and Archives	45 197	54				54	45 251
Arts and Culture	45 197	54				54	45 251
Programme 4: Sport and Recreation	28 186	105				105	28 291
Sport and Recreation	28 186	105				105	28 291
Total conditional grant: Province	73 383	159				159	73 542

Revised Infrastructure project list

The table below should cater for amendments on infrastructure projects (including those on retention) for the current financial year as well as projects which we re not included/ were omitted in the Estimate of Provincial Revenue and Expenditure for 2010/11.

Table 12.8 Revised infrastructure project list

No.	Project name	Municipality	Region/district	Source of funding	Project description	Project duration		Programme	Date Captured on IRM	Total project cost	Expenditure to date from previous years	Professional fees budget	Const/maint budget	Total budget 2010/11 (TO)	Total budget 2010/11 (FROM)	Captured on EPR&E Yes/No	EPWP Yes/No
						Date: Start	Date: Finish										
1. New and replacement assets (R thousand)																	
1	Provincial Talent Development Centre	Mangaung	Moltheo	Infrastructure Enhancement	Sport facilities	2009 Apr	2011 Mar	2	2010 Apr	12 788	7 226				(1 135)		Yes
2	Clarens Khubetswana Library	Ditaberg	Thabo Mofusanyana	Infrastructure Enhancement	New library	2011 Apr	2013 Dec	3	2010 Apr	12 158	158				(60)		Yes
3	Edeville Library	Ngwathe	Fezile Dabi	Infrastructure Enhancement	New library	2009 Jan	2010 Nov	3	2010 Apr	9 900	6 200			1 385			Yes
4	8 x outdoor multi-purpose sport courts	Yet to be identified		Infrastructure Enhancement	Sport facilities	2010 Apr	2011 Mar	4	2010 Apr	37 500					(12 000)		Yes
TOTAL:														1 385	(13 195)		
2. Maintenance and repairs (R thousand)																	
1	Current - Programme 1 Administration			Infrastructure Enhancement	Compensation			1	2010 Apr					145			Yes
2	Building Maintenance Libraries			Infrastructure Enhancement	Routine maintenance			3	2010 Apr					60			Yes
3	Building Maintenance Sport			Infrastructure Enhancement	Routine maintenance			4	2010 Apr						(145)		Yes
TOTAL:														205	(145)		

3. Upgrades and additions (R thousand)														
1	Bin Military Museum Upgrading	Mangaung	Motheo	Infrastructure Enhancement	Upgrading of building	2009 Apr	2010 Nov	2	2010 Apr	4 700	1 924	166	(1 500)	Yes
2	Bloemfontein Craft Eprum	Mangaung	Motheo	Infrastructure Enhancement	Accommodation	2010 Apr	2010 Oct	2	2010 Apr	3 000	1 500		(1 500)	Yes
3	Smithfield Museum	Kopanong	Xhariep	Infrastructure Enhancement	Renovations	2010 Apr	2010 Dec	2	2010 Apr	2 500			(2 500)	Yes
4	Philippolis Transgariep Museum	Kopanong	Xhariep	Infrastructure Enhancement	Renovations	2008 Apr	2011 Mar	2	2010 Apr	1 680	450	1 551		Yes
	Zamela Arts Centre	Fezile Dabi	Sasolburg			2009 Apr	2011 Mar	2				65		No
5	Winburg Pioneer Museum	Masibong	Lejweleputswa	Infrastructure Enhancement	Renovations	2010 Apr	2010 Jul	2	2010 Apr	1 000			(1 000)	Yes
6	Afrikaans Literary Museum	Mangaung	Motheo	Infrastructure Enhancement	Renovations	2009 Jan	2009 Oct	2	Not yet captured	700		878		No
7	Seoesia Depository	All		Infrastructure Enhancement	Security installations	2010 May	2012 Mar	2	Not yet captured	2 750		460		No
8	Bloemfontein Library	Mangaung	Motheo	Library Services Conditional Grant	Upgrading of Library	2010 Apr	2012 Mar	3	2010 Apr	1 436		2 249		Yes
9	Riebeeckstand Library	Matjhaberg	Lejweleputswa	Library Services Conditional Grant	Upgrading of library	2010 Apr	2011 Mar	3	2010 Apr	541			(208)	Yes
10	Kgotsoong Library	Nala	Lejweleputswa	Library Services Conditional Grant	Upgrading of library	2010 Apr	2011 Mar	3	2010 Apr	200			(200)	Yes
11	Beitlerem Library	Thabo Mofutsanyana	Thabo Mofutsanyana	Library Services Conditional Grant	Upgrading of library	2010 Apr	2011 Mar	3	2010 Apr	300			(300)	Yes
12	Parys Library	Ngwathe	Fezile Dabi	Library Services Conditional Grant	Upgrading of library	2010 Apr	2011 Mar	3	2010 Apr	300			(300)	Yes
13	Various Library Security	All		Library Services Conditional Grant	Security installations	2010 Apr	2011 Mar	3	2010 Apr	500		1 797		Yes

3. Upgrades and additions (R thousand)														
14	Hloholwane Library	Setsoo	Thabo Motusanyana	Library Services Conditional Grant	Upgrading of library	2009 Apr	2011 Mar	3				89	89	No
15	Masilo Library	Masilonyana	Lejweleputswa	Library Services Conditional Grant	Upgrading of library	2009 Apr	2011 Mar	3				169	169	No
16	Phomolong Library	Mathabeng	Lejweleputswa	Library Services Conditional Grant	Upgrading of library	2009 Apr	2011 Mar	3				146	146	No
17	Thabong Library	Mathabeng	Lejweleputswa	Library Services Conditional Grant	Upgrading of library	2009 Apr	2011 Mar	3				88	88	No
18	Kuitwanong Library	Mathabeng	Lejweleputswa	Library Services Conditional Grant	Upgrading of library	2009 Apr	2011 Mar	3				210	210	No
19	Fezile Dabi High Performance Satellite	Meisimaholo	Fezile Dabi	Infrastructure Enhancement	High Performance Satellite	2009 Apr	2010 Mar	4		2 345		399	399	No
20	Lejweleputswa Local Talent Development	Meisimaholo	Fezile Dabi	Infrastructure Enhancement	Talent Development Centre	2009 Apr	2010 Mar	4		2 345		736	736	No
	Office Accommodation	Bloemfontein	Motheo	Infrastructure Enhancement	Office Accommodation	2009 Apr	2011 Mar	4				1 459	1 459	
Total Upgrades and additions											10 462	(7 508)		
											12 052	(20 848)		

New and replacement assets

Increase by R1.385 million was a result of roll-over of funds for the finalisation of projects from previous year. The decrease by R13.195 million included the diversion of infrastructure funds by R12 million for the purpose of 2010 FIFA World Cup expenses and the fund shifting by R1.195 million to other infrastructure projects under upgrades.

Upgrades and additions

Increases by R10.462 million included the following:

- Roll-over of funds by R3.241 million for the finalisation of projects from previous year.
- Shifting between infrastructure projects by R2.473 million in the infrastructure enhancement funds
- Shifting between infrastructure projects by R4.748 million in the Library Services Conditional Grant.

Decreases by R7.508 million included the following:

- Shifting between infrastructure projects by R1.008 million in the Library Services Conditional Grant
- Diversion of R6.5 million of non-performing infrastructure projects to address pressures in goods and services in Programme 2: Cultural Affairs (R5.162 million), and also to fund the additional infrastructure projects by R1.338 million

Department of Human Settlements

Adjusted budget summary

R thousand	2010/11			
	Main Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 364 913	1 411 282	(189)	46 369
<i>of which:</i>				
Current payments	58 233	104 602		46 180
Transfers and subsidies	1 302 078	1 302 078		
Payments for capital assets	4 602	4 413	(189)	
Payments for financial assets		189		189
Direct charge against the Provincial Revenue Fund	1 364 913	1 411 282	189	46 369
Executive Authority	MEC for Cooperative Governance, Traditional Affairs and Human Settlements			
Accounting Officer	Director General : Human Settlements			
Website address	www.fslgh.gov.za			

Aim

Developmental Integrated Human Settlements in the Free State.

Changes to programme purposes, objectives and measures

There are no changes to programme purposes and measurable objectives.

Adjusted Estimates of Provincial Expenditure 2010

Table 13.1(a) Adjusted Estimates

Programme	2010/11						
	Main appropriation	Adjustments				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
1. Administration	7 175			419	5 000	5 419	12 594
2. Housing Needs, Research & Planning	12 278			1 840	(385)	1 455	13 733
3. Housing Development	1 343 982			(2 539)	42 433	39 894	1 383 876
4. Housing Asset Management	1 478			280	(679)	(399)	1 079
Total	1 364 913				46 369	46 369	1 411 282

Economic classification

Table13.1(b) Summary of Provincial Payments and Estimates by Economic Classification

Programme	2010/11					Total adjustment appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
Economic classification							
Current payments	58 233			(1 000)	47 369	46 369	104 602
Compensation of employees	38 807						38 807
Goods and Services	19 426			(1 033)	47 369	46 336	65 762
Interest and rent on land				33		33	33
Transfers and subsidies to;	1 302 078			1 000	(1 000)		1 302 078
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons	1 200			1 000	(1 000)		1 200
Public corporations and							
Foreign governments							
Non-profit institutions							
Households	1 300 878						1 300 878
Payments for capital assets	4 602			(189)		(189)	4 413
Buildings and other fixed structures							
Machinery and equipment	4 602			(189)		(189)	4 413
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets				189		189	189
Total	1 364 913				46 369	46 369	1 411 282

Table 13.1.1: Adjusted Estimates - Administration

Sub programme	2010/11						
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
R' thousand							
1. Office of the HOD	3 718			(420)		(420)	3 298
2. Financial Management	3 457			839	5 000	5 839	9 296
Subtotal	7 175			419	5 000	5 419	12 594
Direct charge against the Provincial Revenue Fund							
Total	7 175			419	5 000	5 419	12 594
Economic classification							
Current payments	6 575			419	5 000	5 419	11 994
Compensation of employees	6 131			781		781	6 912
Goods and Services	444			(366)	5 000	4 634	5 078
Interest and rent on land				4		4	4
Transfers and subsidies to:							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets	600			(30)		(30)	570
Buildings and other fixed structures							
Machinery and equipment	600			(30)		(30)	570
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets				30		30	30
Total	7 175			419	5 000	5 419	12 594

Table 13.1.2: Adjusted Estimates - Housing Needs, Research and Planning

Sub programme	2010/11						
	Main appropriation	Adjustments			Appropriation		
R 'thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
1. Programme Management (HDPM)	1 282			256		256	1 538
2. Policy	2 306			180		180	2 486
3. Planning	8 690			1 404	(385)	1 019	9 709
Total	12 278			1 840	(385)	1 455	13 733
Direct charge against the Provincial Revenue Fund							
				1 840	(385)	1 455	13 733
Economic classification							
Current payments	11 691			1 840	(385)	1 455	13 146
Compensation of employees	8 925			1 740		1 740	10 665
Goods and Services	2 766			81	(385)	(304)	2 462
Interest and rent on land				19		19	19
Transfers and subsidies to;	137						137
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	137						137
Payments for capital assets	450			(62)		(62)	388
Buildings and other fixed structures							
Machinery and equipment	450			(62)		(62)	388
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets				62		62	62
Total	12 278			1 840	(385)	1 455	13 733

Table 13.1.3: Adjusted Estimates - Housing Development

Sub programme	2010/11						
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
R' thousand							
1. Administration	43 291			(2 539)	42 433	39 894	83 185
2. Financial Interventions	458 340			(56 826)		(56 826)	401 514
3. Incremental Interventions	700 903			95 025		95 025	795 928
4. Social & Rental Interventions	111 448			(37 166)		(37 166)	74 282
5. Rural Interventions	30 000			(1 033)		(1 033)	28 967
Total	1 343 982			(2 539)	42 433	39 894	1 383 876
Direct charge against the Provincial Revenue Fund							
				(2 539)	42 433	39 894	1 383 876
Economic classification							
Current payments	38 489			(3 539)	43 433	39 894	78 383
Compensation of employees	23 173			(2 801)		(2 801)	20 372
Goods and Services	15 316			(748)	43 433	42 685	58 001
Interest and rent on land				10		10	10
Transfers and subsidies to;	1 301 941			1 000	(1 000)		1 301 941
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons	1 200			1 000	(1 000)		1 200
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	1 300 741						1 300 741
Payments for capital assets	3 552			(97)		(97)	3 455
Buildings and other fixed structures							
Machinery and equipment	3 552			(97)		(97)	3 455
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets				97		97	97
Total	1 343 982			(2 539)	42 433	39 894	1 383 876

Table 13.1.4: Adjusted Estimates - Housing Asset Management and Property Management

Subprogramme	2010/11						
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	Total adjustment appropriation	Adjusted appropriation
R' thousand							
1. Administration	1 478			280	(679)	(399)	1 079
Total	1 478			280	(679)	(399)	1 079
Direct charge against the Provincial Revenue Fund							
Total	1 478			280	(679)	(399)	1 079
Economic classification							
Current payments	1 478			280	(679)	(399)	1 079
Compensation of employees	578			280		280	858
Goods and Services	900				(679)	(679)	221
Interest and rent on land							
Transfers and subsidies to;							
Provinces and municipalities							
Departmental agencies and account							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
Payments for capital assets							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Specialised military assets							
Payments for financial assets							
Total	1 478			280	(679)	(399)	1 079

Table 13.2: Details on virements and shifts within a department

Programmes Summary					
1.Administration 2.Housing Needs, Research & Planning 3.Housing Development 4.Housing Assets & Property Management					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 3		(419)	Programme 1		419
Compensation of employees	Sub programme Information Management staff moved to Programme 1 Administration	(419)	Administration /Current Payments-Compensation of employees	To prevent shortfall in compensation of employees as the sub programme Information Management moved to this programme	419
Percentage of programme budget		0,03%			
Programme 3		(1,840)	Programme 2		1,840
Goods & Services	Funds earmarked for Cubans accommodation	(1,840)	Housing Needs, Research & Planning/Current Payments-Goods and services	The cost of accommodation for Cubans Professional was under the pressure	1,840
Percentage of programme budget		0			
Programme 3			Programme 4		280
Compensation of employees	For shortfall in compensation of employees	(280)	Housing Assets Management-Compensation of employees	For shortfall in compensation of employees due to general increase of 7.5%	280
Percentage of programme budget		0,02%			
Total for Vote		(2,539)	2,539		

Other adjustments – R 46.369 million

Compensation of Employees	: R 850 000
Audit Fees	: R 5 000 000
Top up funding for construction of Houses	: R 43 830 000

Virements

The amount of R2.539 million was taken from Programme 3 (Housing Development) to the following programme: Programme 1 (Administration) an amount of R0.419 million, Programme 2 (Housing Needs, Research & Planning) an amount of R1.840 million and Programme 4 (Housing Asset Management & Property Management) an amount of R0.280 million. This will be used to defray excess expenditure under those programmes per economic classification. The amount of R0.386 million was shifted in programme 2 between the sub programmes.

Funds shifted within a vote

An amount of R0.386 million was shifted to defray excess expenditure within Programme 2 (Housing Needs, Research & Planning) between different sub programmes and economic classification of the Programme. An amount of R0.386 million was taken from Sub programme (Project management and Technical Services) to the following Sub programmes: Programme Management (HDPM) an amount of R0.256 million and Housing Policy, Planning & Research an amount of R0.130 million.

Expenditure 2009/10 and preliminary expenditure 2010/11

Table 13.3 Expenditure trends

R thousand	2009/10 Expenditure outcome					2010/11 Preliminary expenditure		
	Adjusted appropriation	Apr 2009 - Sep 2009 % adjusted appropriation		Apr 09 - Mar 10 % adjusted appropriation		Adjusted appropriation	Apr 10 - Sep 10 % of adjusted appropriation	
		Apr 2009 - Sep 2009		Apr 2009 - Mar 2010			Apr 2010 - Sep 2010	
1. Administration						12 594	3 132	24.87%
2. Housing Needs, Research & Planning	10 658	3 896	36.55%	9 090	85.29%	13 733	5 106	37.18%
3. Housing Development	1 003 758	601 160	59.89%	993 465	98.97%	1 383 876	261 106	18.87%
4. Housing Assets	1 266	232	18.33%	1 344	106.16%	1 079	487	45.13%
Subtotal	1 015 682	605 288	59.59%	1 003 899	98.84%	1 411 282	269 831	19.12%
Direct charge against the Provincial Revenue Fund								
Total	1 015 682	605 288	59.59%	1 003 899	98.84%	1 411 282	269 831	19.12%
Current payments	49 878	18 116	36.32%	47 118	94.47%	104 602	25 310	24.20%
Compensation of employees	30 404	13 315	43.79%	28 551	93.91%	38 807	15 679	40.40%
Goods and services	19 474	4 801	24.65%	18 519	95.10%	65 762	9 619	14.63%
Interest and rent on land	-	-	-	48	-	33	12	36.36%
Transfers and subsidies	964 081	587 058	60.89%	956 145	99.18%	1 302 078	243 804	18.72%
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	1 175		0.00%	1 136	96.68%	1 200		0.00%
Public corporations & private enterprises								
Non-profit institutions								
Households	962 906	587 058	60.97%	955 009	99.18%	1 300 878	243 804	18.74%
Payments for capital assets	1 723	99	5.75%	636	36.91%	4 602	716	15.56%
Buildings and other fixed structures								
Machinery and equipment	1 723	99	5.75%	636	36.91%	4 602	716	15.56%
Specialised military assets								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Payments for financial assets		15					1	
Total	1 015 682	605 288	59.59%	1 003 899	98.84%	1 411 282	269 831	19.12%

Main expenditure trends for the first half of the 2010/11 financial year

Programme 1: Administration

Expenditure in the first six months of 2010/11 amounted to R3.132 million or 34.08 per cent of the Budget of R9.191 million. The programme spent 30.39 per cent on compensation and 3.69 per cent on goods and services. The slow spending on this programme is on capital assets and also on goods and services.

Programme 2: Housing Needs, Research & Planning

Expenditure from April 2009 to September 2009 amounted to R3.896 million or 36.55 per cent of the adjusted appropriation of R10.658 million. The expenditure in the first six months of 2010/11 amounted to R5.106 million or 41.59 per cent of the Budget of R12.278 million. The programme spent 32.96 per cent on compensation of employees, 8.45 per cent on goods & services, 0.12 per cent on current transfers and 0.05 per cent on capital assets. The increase is related to cost incurred for the accommodation and travelling subsistence of the Cuban Professionals.

Programme 3: Housing Development

Expenditure decreased dramatically in the first six months of 2010/11 financial year compared to the first six months of the previous financial year 2009/10. The Current Payments in 2010/11 amounted to R16.606 million or 40.23 per cent. The main decrease is in the transfers and subsidies compared to the first six months of the 2009/10 financial year. Transfers for 2010/11 is R243.789 million compared to 2009/10 which was R587.059 million. The Capital Assets in 2010/11 is R710 000 and in 2009/10 it was R98 000. The process of employing contractors was prolonged and for this reason the spending was slow in particular on transfers or Conditional Grants.

Programme 4: Housing Assets

There is not much difference in the expenditure on Housing Assets in the current financial year and the previous financial year on Current Payments. The percentage in the first six months in 2009/10 was 32 per cent and in the current financial year it is 33 per cent. However the expenditure will increase over the last part of the financial year as payments for Municipal Rates and Taxes related to Departmental Housing Assets will be made.

Departmental receipts

Table 13.4 Expenditure trends

R thousand	2009/10				2010/11				
	Audited outcome				Actual receipts				
	Adjusted estimate	Apr 2009 - Sep 2009	Apr 2009 - Sep 2009 % adjusted appropriation	Apr 09 - Mar 2010	Apr 09 - Mar 2010 10 % adjusted estimate	Budget estimate	Adjusted estimate	Apr 2010 - Sep 2010	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts	544		0.00%	19	3.49%	748	601	388	64.56%
Tax receipts									
Sales of goods and services other than Transfers received	20		0.00%	1	5.00%	381	381	219	57.48%
Fines, penalties and forfeits									
Interest, dividends and rent on land	284		0.00%	13	4.58%	320	200	164	82.00%
Sales of capital assets									
Financial transactions in assets and liabilities	240		0.00%	5	2.08%	47	20	5	25.00%
Provincial Revenue Fund receipts (non-departmental receipts)									
Restructuring proceeds from SASRIA									
Structured levy account from SARB									
Total	544		0.00%	19	3.49%	748	601	388	64.56%

Main departmental revenue trends for the first half of 2010/11

The Department collected revenue amounting to R0.388 million in the first half of 2010/11 financial year. The amount of R0.219 million collected on sales of goods and services were mainly for tender documents that were sold for building RDP Houses. An amount of R0.152 million paid to Human Settlements by Department of Cooperative Governance & Traditional Affairs as part of Bank interest from the previous financial year. The financial transactions in assets & liabilities collected R0.005 million in the second quarter of the financial year.

Changes to transfers and subsidies, including conditional grants

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

2010/11						
R thousand	Main appropriation	Adjustment appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments	
1. Administration						
Households: Empl S/Ben: Injury on Duty						
Households: Empl S/Ben: Leave Gratuity						
Households: Donations & Gifts (Cash)						
2. Housing Needs, Research & Planning	137					137
Households: Empl S/Ben: Injury on Duty	107					107
Households: Empl S/Ben: Leave Gratuity	10					10
Households: Donations & Gifts (Cash)	20					20
3. Housing Development	1 301 941					1 301 941
Households: Empl S/Ben: Injury on Duty	20					20
Households: Empl S/Ben: Leave Gratuity	15					15
Human Settlements Conditional Grant	1 300 691					1 300 691
Households: Donations & Gifts (Cash)	15					15
University of Free State	1 200					1 200
4. Housing Assets Management						
Households: Empl S/Ben: Injury on Duty						
Households: Empl S/Ben: Leave Gratuity						
Households: Donations & Gifts (Cash)						
Total transfers and subsidies	1 302 078					1 302 078

Table 13.6: Summary of changes to conditional grants

2010/11						
R thousand	Main appropriation	Adjustment appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments	
1. Housing Development						
Financial Interventions	458 340			(56 826)		401 514
Incremental Interventions	700 903			95 025		795 928
Social and Rental Intervention	111 448			(37 166)		74 282
Rural Intervention	30 000			(1 033)		28 967
Total conditional grant:	1 300 691					1 300 691

