

Vote 13**Department of Human Settlements****Adjusted budget summary**

R thousand	2015/16				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
Total amount to be appropriated	1 224 416		1 241 311	(91)	16 986
<i>of which economic classification:</i>					
Current payments	185 638		187 647	(91)	2 100
Transfers and subsidies	1 035 612		1 050 498		14 886
Payments for capital assets	3 166		3 166		
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	137 627		139 636	(91)	2 100
Conditional Grants	1 059 632		1 074 518		14 886
Earmarked funds					
Provincial Receipts	27 157		27 157		
Direct charge against the Provincial Revenue Fund	1 224 416		1 241 311	(91)	16 986
Amount not to be appropriated - Aid Assistance					
Executive Authority	MEC for Human Settlements				
Accounting Officer	Director General: Human Settlements				
Website address	www.humansettlements.fs.gov.za				

Aim

Developmental Intergraded 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 Revenue & Expenditure 2015

Table 13.1(a): Adjusted Estimates per programme

		2015/16							
Programme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
				Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
1. Administration		94 000				55	(91)	(36)	93 964
2. Housing Needs, Research & Plan		18 232							18 232
3. Housing Development		1 111 319		16 986		(55)		16 931	1 128 250
4. Housing Assets Mang, Property Management		865							865
Subtotal		1 224 416		16 986		(91)		16 895	1 241 311
Direct charge against the Provincial Revenue Fund									
Item									
Total		1 224 416		16 986		(91)		16 895	1 241 311

Table 13.1(b): Adjusted Estimates by economic classification

Economic classification	R'thousand	Main appropriation	Special appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
				Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments		185 638		2 100		(91)		2 009	187 647
Compensation of employees		149 685				(91)		(91)	149 594
Goods and Services		35 953		2 100				2 100	38 053
Interest and rent on land									
Transfers and subsidies to		1 035 612		14 886				14 886	1 050 498
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons		273							273
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		1 035 339		14 886				14 886	1 050 225
Payments for capital assets		3 166							3 166
Buildings and other fixed structures									
Machinery and equipment		3 166							3 166
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets									
Total		1 224 416		16 986		(91)		16 895	1 241 311

Programme 1: Administration

Table 13.1.1: Adjusted Estimates

		2015/16						
Administration		Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
R'thousand	Main appropriation	Special appropriation	Unforeseeable /unavoidable Roll-overs	Virements and shifts	Declared unspent funds	Other adjustments		
1. Corporate Services	94 000			55	(91)		(36)	93 964
Total	94 000				(91)		(36)	93 964
Economic classification								
Current payments	93 235							93 144
Compensation of employees	68 897				(91)		(91)	68 806
Goods and Services	24 338							24 338
Interest and rent on land								
Transfers and subsidies to				55			55	55
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households				55			55	55
Payments for capital assets	765							765
Buildings and other fixed structures								
Machinery and equipment	765							765
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Payments for financial assets								
Total	94 000			55	(91)		(36)	93 964

Programme 2: Housing Needs, Research & Planning

Table 13.1.2: Adjusted Estimates

		2015/16							
Subprogramme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
1. Administration		1 810							1 810
2. Policy		3 902							3 902
3. Planning		12 520							12 520
Total		18 232							18 232
Economic classification									
Current payments		17 164							17 164
Compensation of employees		14 657							14 657
Goods and Services		2 507							2 507
Interest and rent on land									
Transfers and subsidies to		536							536
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons		273							273
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		263							263
Payments for capital assets		532							532
Buildings and other fixed structures									
Machinery and equipment		532							532
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets									
Total		18 232							18 232

Programme 3: Housing Development

Table 13.1.3: Adjusted Estimates

		2015/16					
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable Roll-overs	Virements and shifts	Declared unspent funds		
R'thousand							
1. Administartions	48 638				(55)	(55)	48 583
2. Financial Interventions	196 558		16 986			16 986	213 544
3. Incremental Interventions	703 685						703 685
4. Social and Rental Interventions	160 090						160 090
5. Expanded Public Works Programme Incent	2 348						2 348
Total	1 111 319		16 986		(55)	16 931	1 128 250
Economic classification							
Current payments	74 374		2 100			2 100	76 474
Compensation of employees	65 544						65 544
Goods and Services	8 830		2 100			2 100	10 930
Interest and rent on land							
Transfers and subsidies to	1 035 076		14 886		(55)	14 831	1 049 907
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households	1 035 076		14 886		(55)	14 831	1 049 907
Payments for capital assets	1 869						1 869
Buildings and other fixed structures							
Machinery and equipment	1 869						1 869
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
Payments for financial assets							
Total	1 111 319		16 986		(55)	16 931	1 128 250

Programme 4: Housing Assets Management Property Management

Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Roll-overs		
R'thousand									
1. Administration	865							865	
Total	865							865	
Economic classification									
Current payments	865							865	
Compensation of employees	587							587	
Goods and Services	278							278	
Interest and rent on land									
Transfers and subsidies to									
Provinces and municipalities									
Departmental agencies and accounts									
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									
Payments for financial assets									
Total	865							865	

Table 13.2: Details on fund shifts

Programmes					
1. Administration			55		
2. Housing Needs, Research & Plan					
3. Housing Development (55)					
4. Housing Assets Mang, Prop Mng					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 3		(55)	Programme 1		
Transfer Payments			Transfer Payments		
Households	Defray over expenditure on leave gratuity within programme 1.	(55)	Households	Defray over expenditure on leave gratuity within programme 1.	55
Percentage of programme budget		0%			0%
Total		(55)			55

Details of adjustments to Estimates of Provincial Revenue & Expenditure 2015

Declared unspent funds:

The department had to surrender an amount of **R0.091 million** to the Department of Social Development towards the fight against gangsterism

Other adjustments include:

The amount of **R16 986 million** was received as a rollover from previous financial year of which, **R2.100 million** was for Equitable Share and **R14.886 million** for Military Veterans. These funds were allocated in Programme 3 under Housing development.

Details of rollover are as follows;

Programme: 3 Housing Developments

The programme received an amount of **R2.100 million** which will be utilised for the accommodation of Cuban officials.

An amount of **R14.886 million** was also received and allocated for the Military Veterans Housing.

Expenditure 2014/15 and preliminary expenditure 2015/16

Table 13.3: Expenditure trends

R thousand	2014/15					2015/16			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 (% of adjusted appropriation)	Apr 2014 - Mar 2015	Apr 2014 - Mar 2015 (% of adjusted appropriation)	Adjusted appropriation	Adjusted appropriation / Total (%)	Apr 2015 - Sep 2015	Apr 2015 - Sep 2015 (% of adjusted appropriation)
Programmes									
1. Administration	84 672	39 759	46.96%	77 314	91.31%	93 909	7.57%	45 319	48.26%
2. Housing Needs, Research & Plan	16 577	8 900	53.69%	17 607	106.21%	18 232	1.47%	8 900	48.82%
3. Housing Development	1 111 255	418 214	37.63%	1 111 861	100.05%	1 128 305	90.90%	656 833	58.21%
4. Housing Assets Mang, Prop Mng	828	338	40.82%	770	93.00%	865	0.07%	375	43.35%
Subtotal	1 213 332	467 211	38.51%	1 207 552	99.52%	1 241 311	100.00%	711 427	57.31%
Direct charge against the Provincial Revenue Fund									
Total	1 213 332	467 211	38.51%	1 207 552	99.52%	1 241 311	100.00%	711 427	57.31%
Economic Classification									
Current payments	144 916	74 849	51.65%	144 316	99.59%	187 647	15.12%	94 873	50.56%
Compensation of employees	103 491	54 054	52.23%	107 772	104.14%	149 594	12.05%	65 136	43.54%
Goods and services	41 375	20 784	50.23%	36 516	88.26%	38 053	3.07%	29 736	78.14%
Interest and rent on land	50	11	22.00%	28	56.00%			1	
Transfers and subsidies	1 065 837	391 396	36.72%	1 060 406	99.49%	1 050 498	84.63%	615 541	58.60%
Provinces and municipalities								1 778	
Departmental agencies and accounts								275	100.73%
Universities and technikons	808	200	24.75%	352	43.56%	273			
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1 065 029	391 196	36.73%	1 060 054	99.53%	1 050 225	84.61%	613 488	58.41%
Payments for capital assets	2 579	966	37.46%	2 752	106.71%	3 166	0.26%	1 013	32.00%
Buildings and other fixed structures									
Machinery and equipment	2 579	966	37.46%	2 752	106.71%	3 166	0.26%	1 013	32.00%
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets				78					
Total	1 213 332	467 211	38.51%	1 207 552	99.52%	1 241 311	100.00%	711 427	57.31%

Expenditure trends for the first half of the 2015/16

Programme 1: Administration

The programme recorded an actual expenditure of **R45.319 million or 48 percent**, this was due to the non-filling of vacant funded posts.

Programme 2: Housing Needs, Research & planning

The department spent **49 percent**, due to misclassification of expenditure on compensation of employees under this programme. The department is in the process of journalising the expenditure from other programmes to programme 2.

Programme 3: Housing Development

The department spent **58 percent** at the end of the second quarter as a result of Cuban officials who were appointed in May 2015. The department did not budget for this expenditure in the current financial year.

Programme 4: Housing Asset Management Property Management

The department spent **43 percent** as at 30 September due to higher expenditure for the municipality rates and taxes.

Compensation of employees

The department spent **44 percent** on compensation and this is as a result of non-filling of funded vacant posts. The department is in the process of filling the posts.

Goods and services

The high percentage of **78 percent** was as a result of accommodation and travel costs of Cuban officials that were not budgeted for and it was paid in the current financial year.

Transfer Payments

The department recorded spending of **59 percent** in transfers due to previous year accruals that were paid in the current financial.

Payments of Capital Assets

The recorded spending of **32 percent** was as a result of non-procurement of computers, due to non-filling of administration posts.

Departmental receipts

Table 13.4: Departmental receipts

R thousand	2014/15 Audited outcome					2015/16 Actual receipts				
	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 (% of adjusted appropriation)	Apr 2014 - Mar 2015	Apr 2015 - Mar 2015 (% of adjusted estimate)	Budget estimate	Adjusted estimate	Adjusted receipts estimate / Total (%)	Apr 2015 - Sep 2015	Apr 2015 - Sep 2015 (% of adjusted estimate)
Departmental receipts	872	706	80.96%	1 159	132.91%	260	298	100.00%	224	75.17%
Tax receipts										
Sales of goods and services other than capital receipts	96	64	66.67%	425	36.45%	70	85	28.52%	77	90.59%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	8	4	50.00%	10	0.86%	13	13	4.36%	3	23.08%
Sales of capital assets										
Financial transactions in assets and liabilities	768	638	83.07%	724	62.09%	177	200	67.11%	144	72.00%
Provincial Revenue Fund receipts (non-departmental receipts)										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
Total departmental receipts	872	706	80.96%	1 159	132.91%	260	298	100.00%	224	75.17%

Revenue trends for the first half of 2015/16

The department collected less revenue amounting to **R0.224 million or 75 per cent** as compared to 2014/15 financial year. This is as a result of less sales of tender documents in a current financial year.

Sales of goods and services

The collection on this item was **91 percent**, this was due to garnishee order imposed to the officials at the end of the second quarter.

Financial transaction in asset & liabilities

An amount of **R0.144 million or 72 percent** on financial transaction in assets & liabilities is due to payments of advanced material from suppliers.

Changes to transfers and subsidies, including conditional grants

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

		2015/16							
		Adjustment appropriation					Total	Adjusted	
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
1. Administration						55		55	55
Economic sphere									
Current									
Households						55		55	55
H/H Empl Social Benefit- Cash Res									
2. Housing Needs, Research & Planning	536								536
Economic sphere									
Current									
Higher education institutions									
University fees	273								273
Households									
H/H Empl Social Benefit- Cash Res	263								263
3. Housing Development	1 035 076		14 886		(55)			(55)	1 049 907
Economic sphere									
Current									
Households						(55)		(55)	(55)
H/H Empl Social Benefit- Cash Res	1 035 076		14 886					14 886	1 049 962
Total transfers and subsidies	1 035 612		14 886					14 886	1 050 498

Table 13.6(a): Summary of changes to conditional grants

		2015/16							
		Adjustment appropriation					Total	Adjusted	
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
3. Housing Development	1 059 632		14 886					14 886	1 074 518
Human Settlements Development Grant									
Financial Interventions	196 558				(107 794)			(107 794)	88 764
Incremental Interventions	572 963				127 794			127 794	700 757
Social and Rental Interventions	160 090				(20 000)			(20 000)	140 090
Provincial Specific Programme	127 673		14 886					14 886	142 559
Expanded Public Works Incentive Grant	2 348								2 348
Total conditional grants	1 059 632		14 886					14 886	1 074 518