

Vote 9

Department of Public Works & Infrastructure

Adjusted budget summary

R thousand	2015/16				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
Total amount to be appropriated	1 491 935		1 505 648	(91)	13 804
<i>of which economic classification:</i>					
Current payments	950 140		955 471	(91)	5 422
Transfers and subsidies	347 229		347 229		
Payments for capital assets	194 566		202 948		8 382
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	859 379		864 874	(91)	5 586
Conditional Grants	6 034		6 034		
Earmarked funds	487 606		495 824		8 218
Provincial Receipts	138 916		138 916		
Direct charge against the Provincial Revenue Fund	1 491 935		1 505 648	(91)	13 804
Amount not to be appropriated - Aid Assistance					
Executive Authority	MEC for Public Works and Infrastructure				
Accounting Officer	Director General: Public Works and Infrastructure				
Website address	www.fsworks.gov.za				

Aim

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

Changes to programme purposes, objectives and measures

The Department of Public Works and Infrastructure will not change any of the purposes, objectives and measures during the 2015/16 financial year. All programmes remain as per the tabled Annual Performance Plan.

Adjusted Estimates of Provincial Revenue & Expenditure 2015

Table 9.1(a): Adjusted Estimates per programme

2015/16									
Programme	Main appropriation	Special appropriation	Adjustment appropriation						
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	Adjusted appropriation
R'thousand									
1. Administration	112 979				864		1 164	2 028	115 007
2. Public Works Infrastructure	1 207 667		1 340		(4 783)	(91)	2 300	(1 234)	1 206 433
3. Expanded Public Works Programme	171 289				3 919		9 000	12 919	184 208
Total	1 491 935		1 340			(91)	12 464	13 713	1 505 648

Economic classification

Table 9.1(b): Adjusted Estimates by economic classification

Economic classification	Main appropriation	Special appropriation	Adjustments Appropriation						
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	Adjusted appropriation
R'thousand									
Current payments	950 140				958	(91)	4 464	5 331	955 471
Compensation of employees	402 802						3 464	3 464	406 266
Goods and Services	547 338				958	(91)	1 000	1 867	549 205
Interest and rent on land									
Transfers and subsidies to	347 229								347 229
Provinces and municipalities	342 409								342 409
Departmental agencies and accounts	1 209								1 209
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	3 611								3 611
Payments for capital assets	194 566		1 340		(958)		8 000	8 382	202 948
Buildings and other fixed structures	190 791		1 340		(2 463)		8 000	6 877	197 668
Machinery and equipment	3 775				805			805	4 580
Cultivated assets									
Software and other intangible assets					700			700	700
Land and subsoil assets									
Heritage assets									
Payments for financial assets									
Total	1 491 935		1 340			(91)	12 464	13 713	1 505 648

Programme 1: Administration

Table 9.1.1: Adjusted Estimates

		2015/16						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand			Roll-overs					
1. Office of the MEC	9 165			(1 289)			(1 289)	7 876
2. Corporate Services	12 250			187		353	540	12 790
3. Corporate Support	91 564			1 966		811	2 777	94 341
Total	112 979			864		1 164	2 028	115 007
Economic classification								
Current payments	108 233			447		1 164	1 611	109 844
Compensation of employees	71 671					1 164	1 164	72 835
Goods and Services	36 562			447			447	37 009
Interest and rent on land								
Transfers and subsidies to	2 090			(500)			(500)	1 590
Provinces and municipalities								
Departmental agencies and accounts	1 207							1 207
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	883			(500)			(500)	383
Payments for capital assets	2 656			917			917	3 573
Buildings and other fixed structures				176			176	176
Machinery and equipment	2 656			41			41	2 697
Cultivated assets								
Software and other intangible assets				700			700	700
Land and subsoil assets								
Heritage assets								
Payments for financial assets								
Total	112 979			864		1 164	2 028	115 007

Programme 2: Public Works Infrastructure

Table 9.1.2: Adjusted Estimates

2015/16									
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. Programme Support	5 106			(613)			(613)	4 493	
2. Planning	9 402			1 543	(91)		1 452	10 854	
3. Design	18 534			131			131	18 665	
4. Construction	72 486		1 340	(2 792)		679	(773)	71 713	
5. Maintenance	161 787			(4 617)		685	(3 932)	157 855	
6. Immovable Asset Management	787 161			(2 587)			(2 587)	784 574	
7. Facility Operations	153 191			4 152		936	5 088	158 279	
Total	1 207 667		1 340	(4 783)	(91)	2 300	(1 234)	1 206 433	
Economic classification									
Current payments	792 879			(2 297)	(91)	2 300	(88)	792 791	
Compensation of employees	316 787			998		2 300	3 298	320 085	
Goods and Services	476 092			(3 295)	(91)		(3 386)	472 706	
Interest and rent on land									
Transfers and subsidies to	345 139			500			500	345 639	
Provinces and municipalities	342 409							342 409	
Departmental agencies and accounts	2							2	
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	2 728			500			500	3 228	
Payments for capital assets	69 649		1 340	(2 986)			(1 646)	68 003	
Buildings and other fixed structures	68 672		1 340	(3 763)			(2 423)	66 249	
Machinery and equipment	977			777			777	1 754	
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Payments for financial assets									
Total	1 207 667		1 340	(4 783)	(91)	2 300	(1 234)	1 206 433	

Programme 3: Expanded Public Works Programme

Table 9.1.3: Adjusted Estimates

		2015/16						
Subprogramme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
				Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
1. Programme Support		16 039			(1 081)		(1 081)	14 958
2. Community Development		128 153			5 000	9 000	14 000	142 153
3. Innovation and Empowerment		27 097						27 097
Total		171 289			3 919	9 000	12 919	184 208
Economic classification								
Current payments		49 028			2 808	1 000	3 808	52 836
Compensation of employees		14 344			(998)		(998)	13 346
Goods and Services		34 684			3 806	1 000	4 806	39 490
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		122 261			1 111	8 000	9 111	131 372
Buildings and other fixed structures		122 119			1 124	8 000	9 124	131 243
Machinery and equipment		142			(13)		(13)	129
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
Payments for financial assets								
Total		171 289			3 919	9 000	12 919	184 208

Special appropriation – R0.000 million

No special appropriation was allocated to the Department.

Details of adjustments to Estimates of Provincial Revenue & Expenditure 2015**Roll-overs – R1.340 million****Programme 2: Public Works Infrastructure**

The department will use the equitable share roll over funds amounting to **R1.122 million** to complete the infrastructure projects at the Ratlo Regional offices in Thaba Nchu and the Lebohang lifts & upgrades. The Revenue Enhancement funds of **R0.218 million** were rolled over for finalization of the Revolving Restaurant.

Unforeseeable and unavoidable expenditure

None

Virements and shifts

Table 9.2: Details on virements and shifts

Programmes					
1. Administration					
2. Public Works Infrastructure					
3. Expanded Public Works Programme					
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 1		(500)	Programme 2		500
Households	Retirements less than anticipated	(500)	Households	Retirements, deaths and claims higher than anticipated	500
Percentage of programme budget		-0.4%			
Programme 2		(7 058)	Programme 1		1 364
Goods & Services	Saving on non essential equipment not spent or committed	(3 295)	Goods and services	Funds for a new VOIP telephone system	447
			Payments for capital assets	Funds for IT equipment and software for the professionals in the department	917
			Programme 2		764
Buildings and other fixed structures	Funds earmarked for new house	(3 763)	Machinery and equipment	Replacement of old radio equipment	764
			Programme 3		4 930
			Goods and services	The funds are needed for job creation within the province through EPWP	3 806
			Buildings and other fixed structures	The upgrade of buildings in the province	1 124
Percentage of programme budget		-0.6%			
Programme 3		(1 011)	Programme 2		1 011
Compensation of employees	Non-critical posts at EPWP were not filled	(998)	Compensation of employees	Salary adjustments higher than growth of the budget	998
Machinery and equipment	Saving on office equipment purchase	(13)	Machinery and equipment	The additional need for gardening equipment	13
Percentage of programme budget		-0.6%			
Total		(8 569)			8 569

Declared unspent funds – R91 000

Programme Public Works Infrastructure declared unspent funds under Good & Services towards Department of Social Development for the fight against gangsterism.

Other adjustments – R12.464 million**Appropriation of expenditure earmarked in the 2015 Budget speech for future allocation****Programme 1: Administration**

An amount of **R1.164 million** was announced in the 2015 Budget speech for improvement in conditions of services.

Programme 2: Public Works Infrastructure

An amount of **R2.300 million** was announced in the 2015 Budget speech for improvement in conditions of services.

Programme 3: EPWP

An amount of **R8 million** was announced in the 2015 Budget speech for improvement of infrastructure in the province. An additional **R1 million** is allocated for job creation within the Department.

Funds shifted between votes following a transfer of a function

No shift of funds between votes following a transfer of function

Funds shifted within a vote following a function shift

No funds were shifted within the vote to follow a function shift

Appropriation of expenditure earmarked in the 2015 budget speech for future allocation

None

Adjustments due to significant and unforeseeable economic and financial events

None

Use of funds in emergency situations

None.

Self-financing expenditure

None.

Gifts, donations and sponsorship

None.

Direct charges against the Provincial Revenue Fund

None.

Expenditure outcome for 2014/15 and actual expenditure for 2015/16

Table 9.3: 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	104 717	49 358	47.1%	99 305	94.8%	115 007	7.6%	55 540	48.3%
2. Public Works Infrastructure	1 093 950	548 996	50.2%	1 097 549	100.3%	1 206 433	80.1%	696 223	57.7%
3. Expanded Public Works Programme	186 168	127 040	68.2%	185 319	99.5%	184 208	12.2%	108 372	58.8%
Total	1 384 835	725 394	52.4%	1 382 173	99.8%	1 505 648	100.0%	860 135	57.1%
Economic Classification									
Current payments	913 912	516 485	56.5%	939 809	102.8%	955 471	63.5%	555 282	58.1%
Compensation of employees	381 866	186 951	49.0%	372 654	97.6%	406 266	27.0%	202 387	49.8%
Goods and services	532 046	329 534	61.9%	567 155	106.6%	549 205	36.5%	352 895	64.3%
Interest and rent on land									
Transfers and subsidies	268 737	95 928	35.7%	268 850	100.0%	347 229	23.1%	195 069	56.2%
Provinces and municipalities	264 365	93 029	35.2%	264 357	100.0%	342 409	22.7%	191 927	56.1%
Departmental agencies and accounts	1 146	1 140	99.5%	1 142	99.7%	1 209	0.1%	1 206	99.8%
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	3 226	1 759	54.5%	3 351	103.9%	3 611	0.2%	1 936	53.6%
Payments for capital assets	202 186	112 981	55.9%	173 273	85.7%	202 948	13.5%	109 784	54.1%
Buildings and other fixed structures	197 061	111 396	56.5%	168 250	85.4%	197 668	13.1%	107 829	54.6%
Machinery and equipment	4 870	1 585	32.5%	4 845	99.5%	4 580	0.3%	1 463	31.9%
Cultivated assets									
Software and other intangible assets	255			178	69.8%	700	0.0%	492	70.3%
Land and subsoil assets									
Heritage assets									
Payments for financial assets				241					
Total	1 384 835	725 394	52.4%	1 382 173	99.8%	1 505 648	100.0%	860 135	57.1%

Expenditure trends for the first half of the 2015/16 financial year**Programme: 1: Administration**

Expenditure in the first six months of 2015/16 amounted to **R55.540 million** or **48.9 percent** against the adjusted appropriation of **R115.007 million**.

Programme: 2: Public Works Infrastructure

Expenditure in the first six months of 2015/16 amounted to **R696.223 million** or **57.7 percent** against the adjusted appropriation of **R1.206 billion**. The expenditure for rates and taxes was at **31.1 percent** and the department projects an over expenditure of **R63.591 million**. The expenditure for utility payments to municipalities was **72.2 percent** and the department projects

an over expenditure of **R223.030 million** which relates to tariff increases, account adjustments and incorrect billing by municipalities and new municipal valuation rolls.

Programme: 3: EPWP

Expenditure in the first six months of 2015/16 was **R108.372 million** or **58.8 percent** against the adjusted appropriation of **R184.208 million**. The expenditure for infrastructure projects are high but no over expenditure is projected.

Economic Classification

Current Payments

Expenditure in the first six months of 2015/16 was **R555.282 million** or **58.1 percent** against the adjusted appropriation of **R955.471 million**. The deviation is due to utility payments and operating lease payments; as a result the department project to overspend with **R223.030 million**.

Transfers and subsidies

Expenditure during the first six months of 2015/16 amounted to **R195.069 million** or **56.2 percent** against the adjusted appropriation of **R347.229 million**. The expenditure for rates & taxes to municipalities was **56.1 percent** and the department projects an over expenditure of **R63.591 million** which relates to tariff increases.

Payments for capital assets

Expenditure in the first six months of 2015/16 amounted to **R109.784 million** or **54.1 percent** against the adjusted appropriation of **R202.948 million**. The expenditure for infrastructure projects are high but no over expenditure is projected.

Departmental receipts

Table 9.4: Departmental receipts

	2014/15					2015/16				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 (% of adjusted appropriation)	Apr 2015 - 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	42 308	15 650	37.0%	40 264	95.2%	46 767	43 964	100.0%	16 260	37.0%
Tax receipts										
Sales of goods and services other than capital receipts	39 000	12 599	32.3%	36 097	92.6%	41 301	36 751	83.6%	13 397	36.5%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	28	14	50.0%	52	185.7%	30	47	0.1%	24	51.1%
Sales of capital assets				815	0.0%	5 000	5 000	11.4%	1 322	26.4%
Financial transactions in assets and liabilities	3 280	3 037	92.6%	3 300	100.6%	436	2 166	4.9%	1 517	70.0%
Total departmental receipts	42 308	15 650	37.0%	40 264	95.2%	46 767	43 964	100.0%	16 260	37.0%

Revenue trends for the first half of the 2015/16 financial year

Revenue collected in the first six months of 2015/16 amounted to **R16.260 million** or **37.0 percent** against the adjusted appropriation of **R43.964 million**. The under collection is due to revenue not yet received for rentals and boarding fees that did not interface correctly into the bank account of the Department and outstanding rent from April 2015 for SITA and Fleet Management.

Changes to transfers and subsidies, including conditional grants

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

		2015/16							
		Adjustment appropriation							
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
2. Public Works Infrastructure	342 409								342 409
Transfers and Subsidies									
Current									
Transfers to Municipalities									
Category A	106 681								106 681
Category B	235 728								235 728
Total transfers and subsidies	342 409								342 409

Table 9.6(a): Summary of changes to conditional grants

		2015/16							
		Adjustment appropriation							
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
3. Expanded Public Works Programme	6 034								6 034
Goods and Services									
Current									
EPWP Integrated Grant of Prov	6 034								6 034
Total conditional grants	6 034								6 034

Table 9.6(b): Summary of changes to provincial earmarked funds

		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
2. Public Works Infrastructure	369 297		218					218	369 515
Current									
Transfers to Municipalities									
Prop Rate&Tax Enhancement All	342 409								342 409
Goods and Services									
Infrastructure Enhancement All	25 888								25 888
Capital									
Buildings and other fixed structures									
Revenue Enhancement All	1 000		218					218	1 218
3. Expanded Public Works Programme	118 309						8 000	8 000	126 309
Buildings and other fixed structures									
Capital									
Infrastructure Enhancement All	118 309						8 000	8 000	126 309
Total earmarked funds	487 606		218				8 000	8 218	495 824

Revised Infrastructure project list

Table 9.7: Revised infrastructure project list

No.	Project name	Municipality	Region/ district	Source of funding	Project description	Project duration		Programme	Total project cost	Expenditure to date from previous years	Const/ maint budget	Total budget 2015/16 (TO)	Total budget 2015/16 (FROM)	Captured on EPRE Yes/ No	EPWP Yes/No	
						Date: Start	Date: Finish									
1. New infrastructure assets (R thousand)																
1	ROUXVILLE CLINIC PW/FS/15/86	Setsoto	Xhariep	Equitable share	Clinic	Jan '15	Mar '17	2	28 000		7 800		(2 000)	Yes	Yes	
Total new infrastructure assets													(2 000)			
3. Upgrades and additions (R thousand)																
1	MEDFONTEIN UPGR PW/FS/13/82	Mangaung	Motheo	Equitable share	Offices			2	11 000		5 000		(2 000)	Yes	Yes	
2	HAMILTON R/OFF UPG PW/FS/11/54	Mangaung	Motheo	Infrastructure Enhancement	Offices	Sep '11	Oct '18	2	49 058	12 229	4 888			Yes		
				Equitable share							3 892	2 000		Yes		
3	LEBOHANG LIFTS&UPGR PW/FS/12/10	Mangaung	Motheo	Equitable share	Offices	Apr '12	Mar '18	2	53 198	26 793	7 092	249	(2 000)	Yes		
4	REVOLVING REST PGB PW/FS/12/07	Mangaung	Motheo	Revenue Enhancement	Offices	Apr '13	Apr '16	2	5 607	4 555	1 000	218		Yes		
5	BOTSHABELO C/H UPGR PW/FS/13/85	Mangaung	Motheo	Equitable share	Community hall	Apr '14	Mar '16	2	6 230		4 000	2 000		Yes		
6	PROV BUILD UPGR PW/FS/12/17	Mangaung	Motheo	Infrastructure Enhancement	Offices	Apr '12	Mar '18	2	98 500	2 848	9 000			Yes		
				Equitable share								2 000				
7	THABA NCHU RATLO R/O PW/FS/15/91	Mangaung	Motheo	Infrastructure Enhancement	Offices	Apr '12	Mar '18	2	114 155	871	7 000			Yes		
				Equitable share										873		
8	SASOLBURG TEST/S UP PW/FS/15/87	Metsimaholo	Fezile Dabi	Equitable share	Testing station	Jan '16	Jun '16	2	1 000			974		No	Yes	
9	VIRGINIA TEST/S UPGR PW/FS/15/88	Matjhabeng	Lejweleputswa	Equitable share	Testing station	Jan '16	Jun '16	2	1 000	135		233		No	Yes	
10	CORNELIA T/S REVITAL	Mafube	Thabo Mofutsanyane	Infrastructure Enhancement	Access	Jan '16	Jun '16	3	8 000			8 000		Yes	Yes	
11	TWEELING NURSES FACILITY	Mafube	Thabo Mofutsanyane	Equitable share	Accommodation	Jan '16	Jun '16	3				1 124		No	Yes	
Total upgrades and additions													17 671	(4 000)		
TOTAL													17 671	(6 000)		

Revised Non-infrastructure project list

Table 9.7(a): Revised non infrastructure project list

No.	Project name	Municipality	Region/ district	Source of funding	Project description	Project duration		Programme	Total project cost	Const/ maint budget	Total budget 2015/16 (TO)	Total budget 2015/16 (FROM)	Captured on EPRE Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish							
1. Non infrastructure assets (R thousand)														
1	CEMETERY MAINTENANCE	FS	FS	EPWP grant	Other	Apr '12	Mar '17	3	Ongoing each year	6 034			Yes	Yes
				Equitable share							4 876		Yes	Yes
Total new infrastructure assets											4 876			

Table 9.8: Summary of adjusted infrastructure appropriation

Infrastructure	Main Appropriation 2015/16	Increase/ Decrease	Adjusted Appropriation 2015/16
New infrastructure assets	16 610	(2 000)	14 610
Existing infrastructure assets	169 181	13 671	182 852
Maintenance and repair			
Upgrades and additions	169 181	13 671	182 852
Refurbishment and rehabilitation			
Infrastructure transfers			
Current			
Capital			
Infrastructure: Payments for financial assets			
Infrastructure: Leases			
Total Infrastructure	185 791	11 671	197 462
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			