

# Free State Adjusted Estimates of Provincial Revenue and Expenditure 2017/18

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**PART A:**  
**PROVINCIAL SUMMARY**

# PROVINCIAL SUMMARY

## INTRODUCTION

The 2017/18 Adjustment Budget for the Free State Province is tabled before 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.

The following section briefly define the above-mentioned categories:

### **Roll-overs**

Rollovers refers to unspent funds from the preceding financial year that may be rolled over to complete projects already started. However, Treasury Regulations place restrictions on the following:

- Unspent funds for compensations of employees may not be rolled-over;
- Only a maximum of 5 percent of a department's budget for goods and services may be rolled-over;
- Unspent funds for transfers and subsidies may not be rolled-over for any purpose other than what the funds were originally allocated for; and
- Unspent funds on payments for capital assets may only be rolled-over to finalize projects or assets acquisitions already in progress.

### **The appropriation of funds that have become available to the province:**

This refers to additional funds that may be allocated to provinces through Provincial Equitable Share. Secondly, national departments may allocate additional funds to provinces as conditional grants to specifically cater for national priorities. Lastly, upward adjustment of provincial own revenue for the current financial year forms part of funds available to the province.

### **Unforeseeable and unavoidable expenditure**

These are expenses that could not be anticipated when the main budget was tabled. As such, the following cannot be regarded as unforeseeable and unavoidable expenditures (as per Treasury Regulations):

- Spending that was known when finalizing the Estimates of Provincial Revenue and Expenditure, but could not be accommodated within the allocations then;
- Spending increases due to tariff adjustments and price increases; and
- Spending to extend existing services or create new services.

### **Virements**

Refer to utilization of savings or unspent funds from a main programme to defray excess expenditure under another main programme within the same vote.

### **Shifts**

Refer to utilization of savings or under spending towards the defrayment of increased expenditure within a main programme of a vote. The shifting happens between the different segments of the main programme. Shifting also allow for reallocation of funds incorrectly allocated during the 2017/18 main budget process.

### **Declared unspent funds**

These are funds not spent and the departments explicitly indicate that the funds will not be required in the current financial year. Any imposed expenditure reductions should also be included in this section.

**Other adjustments** include:

- **Shifts between votes:** According to Section 33 of the PFMA, as functions are transferred between departments so are the associated funds. When functions are shifted to another vote or institution in terms of legislation and/or following the reassignment of responsibility for the functions, the associated assets and liabilities also need to be shifted. Such shifts can also happen between main divisions (programmes) within a vote.
- **Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation:** An amount to be allocated for the MTEF period for a specific purpose that is announced by the MEC for Finance when the main budget is tabled, but the details of the annual allocations are decided later.
- **Adjustments due to significant and unforeseeable economic and financial events:** When unforeseeable economic and financial events affect the fiscal targets set by the main budget, adjustments may need to be made. Significant higher inflation than anticipated in budget projections over the MTEF period is an example of such an event.
- **Use of funds in emergency situation:** The MEC for Finance can approve the use of unappropriated funds for spending of an exceptional nature. This happens if postponing the spending to a future parliamentary appropriation (sitting) would seriously prejudice the public interest. The MEC for Finance must subsequently provide a report to Legislature/Parliament.
- **Self-financing expenditure:** This is spending financed from revenue derived from a Vote's specific activities. The revenue is paid into the Provincial Revenue Fund. If self-financing expenditure is approved, these funds are allocated to the Vote.
- **Gifts, donations and sponsorship received (cash):** They are included in the adjustment budget. The name of the organization / individual and nature of gift, donation or sponsorship must be indicated.
- **Direct charges against the Provincial Revenue Fund** are amounts spent in terms of statutes and do not require parliamentary approval, such as expenditure on state debt costs.

**The total adjustments appropriation** is the sum of all expenditure adjustments by programme and by economic classification. This number may be negative. In most instances this would be as a result of a virement of funds out of the programme or economic classification, or due to function shifts.

**The adjusted appropriation** is the total funds available to departments after the adjustments have been appropriated; i.e. the sum of the main appropriation plus any adjustments.

### SUMMARY OF THE 2017/18 ADJUSTMENTS

The 2017/18 adjustment provides for appropriation of **R263.244 million**. Included in this amount is (i) the sum of **R240.504 million** which relates to approved conditional grant rollovers, (ii) the rollover of **R26.952 million** for equitable share, (iii) retained revenue of **R9.012 million** by Legislature, (iv) a donation of **R0.100 million** and (v) **R0.979 million** which is a transfer from National Department of Rural Development for the restitution of beneficiaries. An amount of **R14.303 million** relates to unspent conditional grants that must be surrendered to National Treasury. The total amount mentioned above (R263.244 million) excludes internal reprioritization of **R148.154 million** recommended by the Treasury Committee.

#### Summary of adjustments for 2017/18

Details	Amount R'000
<b>Conditional grants</b>	<b>240 504</b>
Rollovers - Approved by National Treasury	240 504
<b>Equitable Share</b>	<b>12 649</b>
Rollovers recommended	26 952
Equitable share - Surrender of Conditional Grants	(14 303)
<b>Donations</b>	<b>1 079</b>
HS (Gov an Mbeki Awards)	100
Transfer from Rural Development for housing projects for restitution	979
<b>Retained Revenue (FS Legislature)</b>	<b>9 012</b>
Retained Revenue	9 012
<b>Total before reprioritisation and Transfer of functions</b>	<b>263 244</b>
<b>Reprioritization</b>	
Premier (Provincial Bursaries)	80 000
Premier (Service Delivery EXPO)	4 000
Premier (Boitumelo Injunction/ Thabong Mall (Thusong One Stop Centre))	1 000
Education (Norms and Standards)	30 100
Public Works & Infrastructure (Municipal Services)	19 054
Public Works & Infrastructure (Boitumelo Injunction/ Thabong Mall (Thusong One Stop Centre))	4 000
Police, Roads and Transport (Learner Transport)	10 000
<b>Transfer of Functions</b>	
Horticulture from DESTEA	(7 916)
Horticulture to Agriculture and Rural Development	7 916
Provincial Bursaries from Education	(6 806)
Provincial Bursaries to Premier	6 806
<b>Grand total for the 2017/18 Adjustment Budget</b>	<b>263 244</b>

The details of these adjustments per source of funding are briefly reflected below.

## ROLL-OVERS

A total amount of **R267.456 million** is rolled over from the previous financial year (2016/17) to the current financial year. The rollovers relate to both, National Conditional Grants (**R240.504 million**) and Equitable Share (**R26.952 million**). The details of the approved roll-overs are presented below:

### Conditional Grants

- Department of Agriculture and Rural Development
  - ✓ Comprehensive Agricultural Support Programme Grant **R 2.345 million**
- Department of Education
  - ✓ Education Infrastructure Grant **R 191.281 million**
  - ✓ HIV and Aids (Life Skills Education) Grant **R 0.309 million**
  - ✓ Maths, Science and Technology Grant **R 3.694 million**
  - ✓ National School Nutrition Programme Grant **R 3.940 million**
- Department of Social Development
  - ✓ Substance Abuse Treatment Grant **R 38.935 million**

### Equitable Share (including earmarked allocations)

- Department of Economic and Small Business Development, Tourism and Environmental Affairs **R 5.190 million**
- Department of Treasury **R 12.576 million**
- Department of Agriculture and Rural Development **R 9.186 million**

## ADDITIONAL FUNDING

### Equitable Share

No additional funding received for 2017/18.

## PROVINCIAL OWN REVENUE

The 2017/18 estimated own revenue budget remains unadjusted at **R1.112 billion**.

## RETAINED REVENUE

### Provincial Legislature

Provincial Legislature retained an amount of **R9.012 million** as part of Legislature's Retained Revenue from 2016/17 financial year. This amount is not part of Provincial Revenue Fund as the Legislature does not surrender unspent funds to the Provincial Revenue Fund.

## OTHER REVENUE (including Donations)

Department of Human Settlements received a donations of **R0.100 million** for Govan Mbeki awards. A further amount of **R0.979 million** from the National Department of Rural Development is for implementation of the housing project for restitution of beneficiaries.

## REPRIORITISATION

An amount of R162.456 million was declared unspent of which R14.303 million was surrendered to National Treasury as unspent conditional grants. The remaining R148.154 million was allocated as depicted in the Table below.

Department	Allocation R'000	Area
Available for allocation	162 457	
Surrenders	14 303	
<b>Total available for allocation</b>	<b>148 154</b>	
Education	<b>30 100</b>	
	30 100	Norms and standards for school funding /School Allocation
Premier	<b>85 000</b>	
	80 000	Provincial Bursaries Shortfall
	4 000	Service Delivery EXPO
	1 000	Boitumelo Injunction/ Thabong Mall (Thusong One Stop Centre)
PWI	<b>23 054</b>	
	19 054	Municipal Services payments
	4 000	Boitumelo Injunction/ Thabong Mall (Thusong One Stop Centre)
PRT	<b>10 000</b>	
	10 000	Learner Transport
<b>TOTAL</b>	<b>148 154</b>	

## FUNCTION TRANSFER

An amount of **R6.806 million** is transferred from Department of Education to Department of the Premier as part of the movement of the provincial bursaries function (personnel and goods and services costs).

Furthermore, a total amount of **R7.916 million** is transferred from the Department of Economic, Small Business Development, Tourism and Environmental Affairs to Department of Agriculture and Rural Development. The funds relates to horticulture function shift to Agriculture and Rural Development.

## 1. REVENUE SUMMARY

Table 1: Revenue Summary

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Adjusted appropriation	
			Roll- overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustment appropriation
<b>National Payments</b>									
Equitable Share	24 521 941		23 954			(156 957)	156 957	23 954	24 545 895
Conditional Grants (Specify)	7 267 164		240 504					240 504	7 507 668
<b>Agriculture and Rural Development: Vote 11</b>	<b>239 635</b>		<b>2 345</b>					<b>2 345</b>	<b>241 980</b>
Comprehensive Agricultural Support Programme Grant	168 592		2 345					2 345	170 937
Ilima/Letsema Projects Grant	63 178								63 178
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 865								5 865
Expanded Public Works Programme Integrated Grant for Provinces	2 000								2 000
<b>Education: Vote 6</b>	<b>1 082 815</b>		<b>199 224</b>					<b>199 224</b>	<b>1 282 039</b>
Education Infrastructure Grant	661 635		191 281					191 281	852 916
HIV and AIDS (Life Skills Education) Grant	13 980		309					309	14 289
National School Nutrition Programme Grant	358 412		3 940					3 940	362 352
Maths, Science and Technology Grant	33 741		3 694					3 694	37 435
Learners with Profound Intellectual Disabilities Grant	11 368								11 368
Social Sector EPWP Incentive Grant for Provinces	1 679								1 679
Expanded Public Works Programme Integrated Grant for Provinces	2 000								2 000
<b>Economic, Small Business Development, Tourism and Environmental Affairs: Vote 3</b>	<b>2 000</b>								<b>2 000</b>
Expanded Public Works Programme Integrated Grant for Provinces	2 000								2 000
<b>Health: Vote 5</b>	<b>2 891 016</b>								<b>2 891 016</b>
Comprehensive HIV, Aids and TB Grant	1 148 408								1 148 408
Health Facility Revitalisation Grant	552 157								552 157
Health Professions Training and Development Grant	165 973								165 973
National Tertiary Services Grant	1 018 025								1 018 025
Social Sector EPWP Incentive Grant for Provinces	4 453								4 453
Expanded Public Works Programme Integrated Grant for Provinces	2 000								2 000
<b>Social Development: Vote 7</b>	<b>49 710</b>		<b>38 935</b>					<b>38 935</b>	<b>88 645</b>
Substance Abuse Treatment Grant	14 237		38 935					38 935	53 172
Early Childhood Development Grant	18 398								18 398
Social Worker Employment Grant	3 252								3 252
Social Sector EPWP Incentive Grant for Provinces	13 823								13 823
<b>Public Works and Infrastructure: Vote 9</b>	<b>10 900</b>								<b>10 900</b>
Expanded Public Works Programme Integrated Grant for Provinces	10 900								10 900
<b>Police, Roads and Transport: Vote 10</b>	<b>1 537 759</b>								<b>1 537 759</b>
Provincial Roads Maintenance Grant	1 274 731								1 274 731
Public Transport Operations Grant	255 669								255 669
Social Sector EPWP Incentive Grant for Provinces	1 693								1 693
Expanded Public Works Programme Integrated Grant for Provinces	5 666								5 666
<b>Sport, Arts, Culture and Recreation: Vote 12</b>	<b>258 291</b>								<b>258 291</b>
Community Library Services Grant	159 017								159 017
Mass Participation and Sport Development Grant	95 755								95 755
Social Sector EPWP Incentive Grant for Provinces	1 519								1 519
Expanded Public Works Programme Integrated Grant for Provinces	2 000								2 000
<b>Human Settlements: Vote 13</b>	<b>1 195 038</b>								<b>1 195 038</b>
Human Settlements Development Grant	1 193 038								1 193 038
Expanded Public Works Programme Integrated Grant for Provinces	2 000								2 000
<b>Other National Payments</b>							979	979	<b>979</b>
<b>Donations</b>							100	100	<b>100</b>
<b>Provincial Sourced Revenue</b>	<b>1 111 945</b>		<b>2 998</b>			<b>(5 500)</b>	<b>14 512</b>	<b>12 010</b>	<b>1 123 955</b>
Own Revenue Collections	1 110 605		2 760			(5 500)	5 500	2 760	1 113 365
Retained Revenue (Provincial Legislature)							9 012	9 012	9 012
Revenue Enhancement Allocation	1 340		238					238	1 578
Provincial cash reserves									
<b>Total Revenue</b>	<b>32 901 050</b>		<b>267 456</b>			<b>(162 457)</b>	<b>172 548</b>	<b>277 547</b>	<b>33 178 597</b>
<b>Amount to be voted</b>									<b>277 547</b>

## 2. EXPENDITURE SUMMARY BY FUNCTION

Table 2.1: Expenditure summary by function

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
General Public Services	3 490 326		12 576		1 200	(26 375)	123 872	111 273	3 601 599
Public Order and Safety	368 847					(29 100)	10 000	(19 100)	349 747
Education	12 761 488		199 224		2 042	(2 200)	23 294	222 360	12 983 848
Health	9 774 916					(38 000)		(38 000)	9 736 916
Social Protection	1 172 295		38 935			(12 221)		26 714	1 199 009
Housing & Community Affairs	1 442 894					(6 783)	1 079	(5 704)	1 437 190
Recreational & Cultural Affairs	825 180				7 000			7 000	832 180
Environmental Protection	727 674		5 190		(23 779)	(34 271)		(52 860)	674 814
Other Economic Services	2 334 697		11 531		13 537	(13 507)		11 561	2 346 258
<b>Total Expenditure</b>	<b>32 898 318</b>		<b>267 456</b>			<b>(162 457)</b>	<b>158 245</b>	<b>263 244</b>	<b>33 161 562</b>
<b>Amount to be voted</b>								<b>263 244</b>	

## 3. PROVINCIAL EXPENDITURE SUMMARY

Table 3.1: Provincial expenditure per vote

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
1. Department of the Premier	564 980						91 806	91 806	656 786
2. Free State Legislature	234 044						9 012	9 012	243 056
3. Economic, Small Business Development, Tourism and Environmental Affairs	558 780		5 190			(50 906)	(7 916)	(53 632)	505 148
4. Free State Treasury	315 314		12 576					12 576	327 890
5. Health	9 774 916					(38 000)		(38 000)	9 736 916
6. Education	12 739 378		199 224			(2 200)	23 294	220 318	12 959 696
7. Social Development	1 172 295		38 935			(12 221)		26 714	1 199 009
8. Co-operative Governance and Traditional Affairs	407 187					(2 444)		(2 444)	404 743
9. Public Works and Infrastructure	1 522 356					(12 876)	23 054	10 178	1 532 534
10. Police, Roads and Transport	2 720 070					(29 100)	10 000	(19 100)	2 700 970
11. Agriculture and Rural Development	758 809		11 531			(7 927)	7 916	11 520	770 329
12. Sport, Arts, Culture, and Recreation	687 295								687 295
13. Human Settlements	1 442 894					(6 783)	1 079	(5 704)	1 437 190
<b>Total: Provincial departments</b>	<b>32 898 318</b>		<b>267 456</b>			<b>(162 457)</b>	<b>158 245</b>	<b>263 244</b>	<b>33 161 562</b>
<b>Amount to be voted</b>								<b>263 244</b>	

Note<sup>1</sup> Included in the Provincial Legislature allocation is an amount of R9.012 million relating to retained revenue. This amount does not form part of the revenue flowing from Provincial Revenue Fund as Legislature does not surrender unspent to the Provincial Revenue Fund.

#### 4. EXPENSE BY ECONOMIC CLASSIFICATION

Table 4.1: Summary of provincial payments and estimates by economic classification

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>26 062 548</b>		<b>116 737</b>		<b>(112 598)</b>	<b>(78 723)</b>	<b>47 135</b>	<b>(27 449)</b>	<b>26 035 099</b>
Compensation of employees	20 064 251				(59 468)	(40 550)		(100 018)	19 964 233
Goods and services	5 998 027		116 737		(53 292)	(38 173)	47 135	72 407	6 070 434
Interest and rent on land	271				162			162	433
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>4 621 562</b>		<b>9 775</b>		<b>68 426</b>	<b>(4 443)</b>	<b>112 720</b>	<b>186 478</b>	<b>4 808 040</b>
Provinces and municipalities	408 809				19 537			19 537	428 346
Departmental agencies and accounts	254 338				11 212		1 541	12 753	267 091
Higher education institutions	249 554				(1 200)		80 000	78 800	328 354
Public corporations and private enterprises	289 949				3 000			3 000	292 949
Non-profit institutions	1 821 993				24 888	(1 281)	30 100	53 707	1 875 700
Households	1 596 919		9 775		10 989	(3 162)	1 079	18 681	1 615 600
<b>Payments for capital assets</b>	<b>2 214 207</b>		<b>140 944</b>		<b>43 866</b>	<b>(79 291)</b>	<b>(1 610)</b>	<b>103 909</b>	<b>2 318 116</b>
Buildings and other fixed structures	1 843 253		132 718		(19 058)	(77 526)	(5 000)	31 134	1 874 387
Machinery and equipment	357 084		2 413		50 579	(1 765)	3 390	54 617	411 701
Heritage assets									
Biological assets									
Land and subsoil assets	600				(500)			(500)	100
Software and other intangible assets	13 270		5 813		12 845			18 658	31 928
<b>Payments for financial assets</b>					306			306	306
<b>Total</b>	<b>32 898 318</b>		<b>267 456</b>			<b>(162 457)</b>	<b>158 245</b>	<b>263 244</b>	<b>33 161 562</b>
<b>Amount to be voted</b>								<b>263 244</b>	<b>263 244</b>

Table 5.1: Provincial Budget Summary

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current Outlays	26 062 548		116 737		(112 598)	(78 723)	47 135	(27 449)	26 035 099
Capital Outlays	2 214 207		140 944		43 866	(79 291)	(1 610)	103 909	2 318 116
Transfer Payments	4 621 562		9 775		68 426	(4 443)	112 720	186 478	4 808 040
Payments for financial assets					306			306	306
<b>Total Expenditure</b>	<b>32 898 318</b>		<b>267 456</b>			<b>(162 457)</b>	<b>158 245</b>	<b>263 244</b>	<b>33 161 562</b>
<b>Total Revenue</b>	<b>32 901 050</b>		<b>267 456</b>			<b>(162 457)</b>	<b>172 548</b>	<b>277 547</b>	<b>33 178 597</b>
Net Lending									
<b>Surplus (Deficit)</b>	<b>2 732</b>						<b>14 303</b>	<b>14 303</b>	<b>17 035</b>
<b>Amount to be voted</b>								<b>277 547</b>	<b>277 547</b>

## 5. PROVINCIAL OWN REVENUE

Table 6.1: Provincial Own Revenue per vote

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
1. Department of the Premier	5 949							5 949	
3. Economic, Small Business Development, Tourism and Environmental Affairs	22 314							22 314	
4. Provincial Treasury	11 087							11 087	
5. Health	178 877							178 877	
6. Education	19 798							19 798	
7. Social Development	1 636							1 636	
8. Co-operative Governance and Traditional Affairs	212							212	
9. Public Works and Infrastructure	48 388							48 388	
10. Police, Roads and Transport	744 514							744 514	
11. Agriculture and Rural Development	2 230							2 230	
12. Sport, Arts, Culture and Recreation	12 156							12 156	
13. Human Settlements	316							316	
<b>Total: Provincial departments</b>	<b>1 047 477</b>							<b>1 047 477</b>	
Free State Gambling and Liquor Authority	64 468							64 468	
<b>Total: Provincial Own Receipts</b>	<b>1 111 945</b>							<b>1 111 945</b>	

Table 6.2: Provincial Own Revenue per economic classification

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Tax receipts	702 246							702 246	
Sales of goods and services other than capital assets	363 038							363 038	
Transfers received									
Fines, penalties and forfeits	17 093							17 093	
Interest, dividends and rent on land	11 958							11 958	
Sales of capital assets	1 541							1 541	
Financial transactions in assets and liabilities	16 069							16 069	
<b>Total</b>	<b>1 111 945</b>							<b>1 111 945</b>	

## 7. PROVINCIAL EARMARKED EQUITABLE SHARE SUMMARY

Table 7.1: Provincial earmarked expenditure per vote

Rthousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
1. Department of the Premier	336 360						80 000	80 000	416 360
2. Free State Legislature									
3. Economic, Small Business Development, Tourism and Environmental Affairs	82 451					(12 580)		(12 580)	69 871
4. Free State Treasury	53 596		11 573					11 573	65 169
5. Health	153 668					(30 000)		(30 000)	123 668
6. Education	80 000						30 100	30 100	110 100
7. Social Development	224 681					(4 500)		(4 500)	220 181
8. Co-operative Governance and Traditional Affairs	40 381					(5 000)		(5 000)	35 381
9. Public Works and Infrastructure	346 636						19 054	19 054	365 690
10. Police, Roads and Transport	78 230					(7 500)	10 000	2 500	80 730
11. Agriculture and Rural Development	15 000					(5 000)	(4 000)	(9 000)	6 000
12. Sport, Arts, Culture, and Recreation	61 000								61 000
13. Human Settlements	36 000								36 000
<b>Total: Provincial departments</b>	<b>1 508 003</b>		<b>11 573</b>		<b>(10 000)</b>	<b>(58 580)</b>	<b>139 154</b>	<b>82 147</b>	<b>1 590 150</b>
<b>Amount to be voted</b>									<b>82 147</b>

## 8. PROVINCIAL INFRASTRUCTURE ENHANCEMENT ALLOCATION SUMMARY

Table 8.1: Provincial IEA expenditure per vote

Rthousand	Main Appropriation	Special Appropriation	Adjusted Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
1. Department of the Premier									
2. Free State Legislature									
3. Economic, Small Business Development, Tourism and Environmental Affairs	45 672		5 190			(23 970)	(5 000)	(23 780)	21 892
4. Free State Treasury									
5. Health	23 938					(8 000)		(8 000)	15 938
6. Education	16 278					(1 200)		(1 200)	15 078
7. Social Development									
8. Co-operative Governance and Traditional Affairs									
9. Public Works and Infrastructure	162 287					(2 898)		(2 898)	159 389
10. Police, Roads and Transport	439 161					(6 500)	(20 600)	(27 100)	412 061
11. Agriculture and Rural Development	99 256		7 430			(10 000)	(3 000)	(570)	98 686
12. Sport, Arts, Culture, and Recreation	101 286					(12 711)		(12 711)	88 575
13. Human Settlements									
<b>Total: Provincial departments</b>	<b>887 878</b>		<b>12 620</b>		<b>(29 211)</b>	<b>(59 668)</b>		<b>(76 259)</b>	<b>811 619</b>
<b>Amount to be voted</b>									<b>(76 259)</b>

## 9. PROVINCIAL REVENUE ENHANCEMENT ALLOCATION SUMMARY

Table 9.1: Provincial REA expenditure per vote

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation						Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	
1. Department of the Premier									
2. Free State Legislature									
3. Economic, Small Business Development, Tourism and Environmental Affairs									
4. Free State Treasury			238						238
5. Health									
6. Education									
7. Social Development									
8. Co-operative Governance and Traditional Affairs									
9. Public Works and Infrastructure									
10. Police, Roads and Transport									
11. Agriculture and Rural Development									
12. Sport, Arts, Culture, and Recreation									
13. Human Settlements									
<b>Total: Provincial departments</b>			<b>238</b>					<b>238</b>	<b>238</b>
<b>Amount to be voted</b>									<b>238</b>

## 10.1: AID ASSISTANCE SUMMARY

Table 10.1: Aid Assistance per vote

R'thousand	Main Appropriation	Special Appropriation	Adjusted Appropriation						Adjusted appropriation
			Roll-overs	Unforeseeable/ Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	
1. Department of the Premier	2 420						21 476	21 476	23 896
2. Economic, Small Business Development, Tourism and Environmental Affairs			295					295	295
3. Health							1 575	1 575	1 575
4. Sport, Arts, Culture, and Recreation							582	582	582
<b>Total: Provincial departments</b>	<b>2 420</b>		<b>295</b>				<b>23 633</b>	<b>23 928</b>	<b>26 348</b>
<b>Amount not to be appropriated</b>									<b>23 928</b>

# PART B:

## ADJUSTED ESTIMATEES OF PROVINCIAL REVENUE & EXPENDITURE

**VOTE 1:**  
**DEPARTMENT OF THE PREMIER**

**Vote 1****Department of the Premier****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>564 980</b>		<b>656 786</b>	<b>(30 677)</b>	<b>122 483</b>
<b>of which economic classification:</b>					
Current payments	311 619		323 499	(30 000)	41 880
Transfers and subsidies	249 922		330 438		80 516
Payments for capital assets	3 439		2 849	(677)	87
Payments for financial assets					
<b>of which source of funding:</b>					
Equitable Share	185 260		197 066	(30 677)	42 483
Conditional Grants					
Earmarked funds	336 360		416 360		80 000
Provincial Receipts	43 360		43 360		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>564 980</b>		<b>656 786</b>	<b>(30 677)</b>	<b>122 483</b>
<b>Amount not to be appropriated - Aid Assistance</b>	<b>2 420</b>		<b>23 896</b>		<b>21 476</b>

Executive Authority

Premier

Accounting Officer

Director General: The Department of the Premier

Website address

[www.premier.fs.gov.za](http://www.premier.fs.gov.za)**Purpose**

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

**Changes to programme purposes, objectives and measures**

Not applicable

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2017

Table 1.1(a): Adjusted Estimates per programme

		2017/18						
Programme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Administration	65 086			(2 225)			(2 225)	62 861
2. Institutional Development	336 747			(1 375)		86 806	85 431	422 178
3. Policy and Governance	45 606			3 600			3 600	49 206
4. Monitoring and Evaluation	117 541					5 000	5 000	122 541
<b>Subtotal</b>	<b>564 980</b>					<b>91 806</b>	<b>91 806</b>	<b>656 786</b>
<b>Direct charge against the Provincial Revenue Fund</b>								
Item								
<b>Total</b>	<b>564 980</b>					<b>91 806</b>	<b>91 806</b>	<b>656 786</b>

Table 1.1(b): Adjusted Estimates by economic classification

		Adjustments Appropriation						
Economic classification	Main appropriation	Special appropriation	Declared				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable Roll-overs	Virements / unavoidable	unspent funds	Other adjustments		
R'thousand								
<b>Current payments</b>	<b>311 619</b>			<b>161</b>		<b>11 719</b>	<b>11 880</b>	<b>323 499</b>
Compensation of employees	259 385			(30 000)		6 460	(23 540)	235 845
Goods and Services	52 234			30 161		5 259	35 420	87 654
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>249 922</b>			<b>516</b>		<b>80 000</b>	<b>80 516</b>	<b>330 438</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	248 340					80 000	80 000	328 340
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 000							1 000
Households	582			516			516	1 098
<b>Payments for capital assets</b>	<b>3 439</b>			<b>(677)</b>		<b>87</b>	<b>(590)</b>	<b>2 849</b>
Buildings and other fixed structures								
Machinery and equipment	2 564			198		87	285	2 849
Cultivated assets								
Software and other intangible assets	875			(875)			(875)	
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>564 980</b>					<b>91 806</b>	<b>91 806</b>	<b>656 786</b>

**Programme 1: Administration**

Table 1.1.1: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Premier Support	13 462				(160)		(160)	13 302
2. Executive Council Support	3 890				(205)		(205)	3 685
3. Director General	13 437				(1 173)		(1 173)	12 264
4. Financial Management	34 297				(687)		(687)	33 610
<b>Total</b>	<b>65 086</b>				<b>(2 225)</b>		<b>(2 225)</b>	<b>62 861</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>64 156</b>				<b>(2 848)</b>		<b>(2 848)</b>	<b>61 308</b>
Compensation of employees	46 740				(4 600)		(4 600)	42 140
Goods and Services	17 416				1 752		1 752	19 168
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>22</b>				<b>155</b>		<b>155</b>	<b>177</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	22				155		155	177
<b>Payments for capital assets</b>	<b>908</b>				<b>468</b>		<b>468</b>	<b>1 376</b>
Buildings and other fixed structures								
Machinery and equipment	908				468		468	1 376
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>65 086</b>				<b>(2 225)</b>		<b>(2 225)</b>	<b>62 861</b>

**Programme 2: Institutional Development**

Table 1.1.2: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable Roll-overs	Virements /unavoidable and shifts	Declared unspent funds	Other adjustments		
R'thousand								
1. Strategic Human Resource Management	290 194			(3 923)		86 806	82 883	373 077
2. Information Communication Technology	13 331			(2 375)			(2 375)	10 956
3. Legal Services	8 579			(1 000)			(1 000)	7 579
4. Communication Services	24 643			5 923			5 923	30 566
<b>Total</b>	<b>336 747</b>			<b>(1 375)</b>		<b>86 806</b>	<b>85 431</b>	<b>422 178</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>86 064</b>			<b>(535)</b>		<b>6 719</b>	<b>6 184</b>	<b>92 248</b>
Compensation of employees	64 449			(10 000)		6 460	(3 540)	60 909
Goods and Services	21 615			9 465		259	9 724	31 339
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>248 340</b>			<b>123</b>		<b>80 000</b>	<b>80 123</b>	<b>328 463</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	248 340					80 000	80 000	328 340
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households				123			123	123
<b>Payments for capital assets</b>	<b>2 343</b>			<b>(963)</b>		<b>87</b>	<b>(876)</b>	<b>1 467</b>
Buildings and other fixed structures								
Machinery and equipment	1 468			(88)		87	(1)	1 467
Cultivated assets								
Software and other intangible assets	875			(875)			(875)	
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>336 747</b>			<b>(1 375)</b>		<b>86 806</b>	<b>85 431</b>	<b>422 178</b>

**Programme 3: Policy and Governance**

Table 1.1.3: Adjusted Estimates

2017/18								
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. Special Programmes	16 656				7 647		7 647	24 303
2. Intergovernmental relations	9 607				1 035		1 035	10 642
3. Provincial Policy Management	19 343				(5 082)		(5 082)	14 261
<b>Total</b>	<b>45 606</b>				<b>3 600</b>		<b>3 600</b>	<b>49 206</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>44 003</b>				<b>3 550</b>		<b>3 550</b>	<b>47 553</b>
Compensation of employees	34 023				(15 400)		(15 400)	18 623
Goods and Services	9 980				18 950		18 950	28 930
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>1 415</b>				<b>238</b>		<b>238</b>	<b>1 653</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 000							1 000
Households	415				238		238	653
<b>Payments for capital assets</b>	<b>188</b>				<b>(188)</b>		<b>(188)</b>	
Buildings and other fixed structures								
Machinery and equipment	188				(188)		(188)	
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>45 606</b>				<b>3 600</b>		<b>3 600</b>	<b>49 206</b>

**Programme 4: Monitoring and Evaluation**

Table 1.1.4: Adjusted Estimates

		2017/18						
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. Public Sector Monitoring and Evaluation	10 193				(1 898)		(1 898)	8 295
2. Monitoring and Evaluation programme	5 601				207		207	5 808
3. Provincial Intervention	101 747				1 691	5 000	6 691	108 438
<b>Total</b>	<b>117 541</b>					<b>5 000</b>	<b>5 000</b>	<b>122 541</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>117 396</b>				<b>(6)</b>	<b>5 000</b>	<b>4 994</b>	<b>122 390</b>
Compensation of employees	114 173							114 173
Goods and Services	3 223				(6)	5 000	4 994	8 217
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>145</b>							<b>145</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	145							145
<b>Payments for capital assets</b>					<b>6</b>		<b>6</b>	<b>6</b>
Buildings and other fixed structures								
Machinery and equipment					6		6	6
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>117 541</b>					<b>5 000</b>	<b>5 000</b>	<b>122 541</b>

**Special appropriation**

Not applicable

**Roll-overs**

Not applicable

**Unforeseeable and unavoidable expenditure-**

Not applicable

**Virements and shifts**

**Programme 1: Administration**

A total amount of R1 million was shifted from Compensation of Employees (CoE) to address the pressure on goods and services within the programme. Furthermore, an amount of R3.600 million was shifted from CoE to programme 3 to address the pressure on goods and services in the current financial year.

### **Programme 2: Institutional Development**

A total amount of R10 million was shifted from CoE to address the pressure of goods and services within the programme in the current financial year.

An amount of R0.088 million was decreased from capital assets to finance the shortfall in Goods and services and transfers and subsidies within the programme.

An amount of R0.875 million from software and intangible assets and R0.500 million of goods and services was reprioritized to capital assets and goods & services respectively to programme 1 to address the shortfall experienced in the current financial year.

### **Programme 3: Policy and Governance**

A total amount of R15.4 million was shifted from CoE to address the pressure on goods and services within the programme in the current financial year.

A total amount of R3 million earmarked for Harrismith Logistic Hub was incorrectly classified as Compensation of employees in the Appropriation act, the department is reclassify it from compensation of employees to goods and services.

### **Programme 4: Monitoring and Evaluation**

R2.063 million was shifted from Public sector performance monitoring evaluation objective to Monitoring and evaluation objective within the CoE of the same programme.

An amount of R0.006 million was shifted from Goods & services to Capital assets to align budget with the functional structure of the Programme.

## Details on virements and shifts within a department

Table 1.2: Details on virements and shifts

Programmes					
1. Administration		(5 051)	1. Administration		2 826
2. Institutional Development		(11 498)	2. Institutional Development		10 123
3. Policy and Governance		(21 638)	3. Policy and Governance		25 238
4. Monitoring and Evaluation		(3 925)	4. Monitoring and Evaluation		3 925
<b>Total</b>		<b>(42 112)</b>			<b>42 112</b>
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1</b>		<b>(3 600)</b>	<b>Programme 3</b>		<b>3 600</b>
<b>Compensation of employees</b>	Virement was done to increase Goods and Services of Programme 3	(3 600)	<b>Goods and services</b>	A short fall was experienced due to previous financial year commitments.	3 600
<b>Programme 1</b>		<b>(1 451)</b>	<b>Programme 1</b>		<b>1 451</b>
<b>Compensation of employees</b>	A shift was done to address the pressure of Good and Services in Programme 1	(1 000)	<b>Goods and services</b>	A short fall was experienced due to previous financial year commitments.	1 000
<b>Capital assets</b>	To address shortfall of transfers and subsidies and Goods and services	(429)	<b>Transfers and subsidies</b>	A shortfall was experienced due to resignations	177
			<b>Goods and services</b>	A short fall was experienced due to previous financial year commitments.	252
<b>Transfers and subsidies</b>	To address shortfall of Capital assets	(22)	<b>Capital assets</b>	to address the shortfall	22
<b>Percentage of programme budget</b>		<b>1%</b>			
<b>Programme 2</b>		<b>(10 123)</b>	<b>Programme 2</b>		<b>10 123</b>
<b>Compensation of employees</b>	A shift was done to address the pressure of Good and Services in Programme 2	(10 000)	<b>Goods and services</b>	A short fall was experienced due to previous financial year commitments.	10 000
<b>Goods and services</b>	To address shortfall of transfers and subsidies	(35)	<b>Transfers and subsidies</b>	A shortfall was experienced due to resignations	123
<b>Capital assets</b>	To address shortfall of transfers and subsidies	(88)			
<b>Programme 2</b>		<b>(1 375)</b>	<b>Programme 1</b>		<b>1 375</b>
<b>Software and Intangible Assets</b>	A virement was done to address shortfall of Capital assets in Programme 1	(875)	<b>Capital assets</b>	A short fall was experienced due to current pressure	875
<b>Goods and services</b>	A virement was done to address shortfall of Goods and services in Programme 1	(500)	<b>Goods and services</b>	A short fall was experienced due to current pressure	500
<b>Percentage of programme budget</b>		<b>%</b>			
<b>Programme 3</b>		<b>(21 638)</b>	<b>Programme 3</b>		<b>21 638</b>
<b>Compensation of employees</b>	A shift was done to address the pressure of Good and Services in Programme 3	(15 400)	<b>Good and services</b>	A short fall was experienced due to previous financial year commitments.	15 400
<b>Goods and services</b>	To address shortfall of transfers and subsidies	(50)	<b>Transfers and subsidies</b>	A shortfall was experienced due to resignations	238
<b>Capital assets</b>	To address shortfall of transfers and subsidies	(188)			
<b>Compensation of employees</b>	To correct economic classification on earmarked funds Harrismith Logistics Hub on the Appropriation Act	(3 000)	<b>Goods and services</b>	Corrected economic classification of earmarked funds in the Appropriation act	3 000
<b>Goods and services</b>	To correct economic classification between the funds	(3 000)	<b>Compensation of employees</b>	To correct economic classification between the funds	3 000
<b>Percentage of programme budget</b>		<b>%</b>			
<b>Programme 4</b>		<b>(3 925)</b>	<b>Programme 4</b>		<b>3 925</b>
<b>Goods and services</b>	Programme 4 was newly created in the current financial year and shift was done to align budget with the functional structure.	(1 862)	<b>Good and services</b>	Programme 4 was newly created in the current financial year and shift was done to align budget with the functional structure.	1 856
			<b>Capital Assets</b>	Programme 4 was newly created in the current financial year and shift was done to align budget with the functional structure.	6
<b>Compensation of employees</b>	Programme 4 was newly created in the current financial year and shift was done to align budget with the functional structure from public sector performance monitoring objective evaluation	(2 063)	<b>Compensation of employees</b>	Programme 4 was newly created in the current financial year and shift was done to align budget with the functional structure to monitoring and evaluation programme objective	2 063
<b>Percentage of programme budget</b>		<b>%</b>			
<b>Total</b>		<b>(42 112)</b>			<b>42 112</b>

**Declared unspent funds**

Not applicable

**Other adjustments – [R91.806 million]**

The department received an additional amount of R80 million in relations to Provincial Bursaries.

The total amount of R4 million and R1 million was allocated for Service delivery Expo function and Boitumelo injunction respectively.

**Funds shifted between votes following a transfer of a function [R6.806 million]**

Transfer of function from Department of Education amounting to R6.806 million of which R6.460 million for personnel costs, Goods and services amount to R0.259 million and Capital assets amount to R0.087 million.

**Funds shifted within a vote following a function shift**

Not applicable

**Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation**

Not applicable

**Adjustment due to significant and unforeseeable economic and financial events**

Not applicable.

**Use of funds in emergency situations**

Not applicable.

**Self-financing expenditure**

Not applicable.

**Gifts, donations and sponsorship**

Not applicable.

**Direct charges against the Provincial Revenue Fund**

Not applicable.

## Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Table 1.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Apr 2017 - Sep 2017	(% of adjusted appropriation)	Adjusted appropriation / Total (%)
<b>Programmes</b>									
1. Administration	144 927	81 130	56.0%	151 043	104.2%	62 861	39 821	63.3%	9.6%
2. Institutional Development	117 710	70 043	59.5%	111 811	95.0%	422 178	295 916	70.1%	64.3%
3. Policy and Governance	78 321	47 447	60.6%	96 564	123.3%	49 206	55 418	112.6%	7.5%
4. Monitoring and Evaluation			0.0%		0.0%	122 541	59 914	48.9%	18.7%
<b>Subtotal</b>	<b>340 958</b>	<b>198 620</b>	<b>58.3%</b>	<b>359 418</b>	<b>105.4%</b>	<b>656 786</b>	<b>451 069</b>	<b>68.7%</b>	<b>100.0%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>340 958</b>	<b>198 620</b>	<b>58.3%</b>	<b>359 418</b>	<b>105.4%</b>	<b>656 786</b>	<b>451 069</b>	<b>68.7%</b>	<b>100%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>327 707</b>	<b>195 477</b>	<b>59.6%</b>	<b>348 122</b>	<b>106.2%</b>	<b>323 499</b>	<b>207 272</b>	<b>64.1%</b>	<b>49.3%</b>
Compensation of employees	212 828	121 889	57.3%	242 249	113.8%	235 845	132 076	56.0%	35.9%
Goods and services	114 879	73 588	64.1%	105 873	92.2%	87 654	75 196	85.8%	13.3%
Interest and rent on land			0.0%		0.0%			0.0%	0.0%
<b>Transfers and subsidies</b>	<b>1 235</b>	<b>619</b>	<b>50.1%</b>	<b>7 115</b>	<b>576.1%</b>	<b>330 438</b>	<b>242 020</b>	<b>73.2%</b>	<b>50.3%</b>
Provinces and municipalities									
Departmental agencies and accounts				2					
Universities and technikons						328 340	241 411	73.5%	50.0%
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions						1 000	609	55.5%	0.2%
Households	1 235	619	50.1%	7 113	576.0%	1 098			0.2%
<b>Payments for capital assets</b>	<b>6 016</b>	<b>2 524</b>	<b>42.0%</b>	<b>4 153</b>	<b>69.0%</b>	<b>2 849</b>	<b>1 777</b>	<b>62.4%</b>	<b>0.4%</b>
Buildings and other fixed structures									
Machinery and equipment	5 142	2 162	42.0%	3 791	73.7%	2 849	1 777	62.4%	0.4%
Cultivated assets									
Software and other intangible assets	874	362	41.4%	362	41.4%				
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>				<b>28</b>					
<b>Total</b>	<b>334 958</b>	<b>198 620</b>	<b>59.3%</b>	<b>359 418</b>	<b>107.3%</b>	<b>656 786</b>	<b>451 069</b>	<b>68.7%</b>	<b>100.0%</b>

## **Expenditure trends for the first half of the 2017/18**

Expenditure in the first six months of 2017/18 amounted to R451.069 million or 68.7 percent of the adjusted appropriation of R656.786 million.

### **Programme 1: Administration**

The expenditure trend in the first six months of the 2017/18 financial year amounts to R39.821 million or 63.3 percent of the adjusted appropriation of R62.861 million. In comparison with the 2016/17 financial year, the expenditure is higher by 7.3 percent. This is due to accruals from the previous financial year which was paid in the current financial year.

### **Programme 2: Institutional Development**

The expenditure trend in the first six months of the 2017/18 financial year is at 70.1 percent, which is 10.6 percent higher compared to the expenditure of the same period in 2016/17 financial year. This is due to accruals from the previous financial year which was paid in the current financial year.

### **Programme 3: Policy and Governance**

The expenditure trend in the first six months of 2017/18 financial year is at 112.6 percent which is 52 percent higher in comparison with the same period in 2016/17. Once again, this is due to accruals from the previous financial year which was paid in the current financial year.

### **Programme 4: Monitoring and Evaluation**

The programme was implemented in the current financial year and has spent 48.9 percent of R59 914 million from the total adjusted budget of R122.541 million.

## **Economic classification:**

### **Current payments**

The expenditure trend in the first six months of the 2017/18 financial year is 4.5 percent higher in comparison with the same period of the 2016/17 financial year, due to the previous year commitments.

### **Transfers and subsidies**

The transfer payments of 73.2 percent in the 2017/18 financial year is 23.1 percent higher in comparison with the same period for 2016/17 financial year, the 5.4 percent was due to unanticipated resignations and death of personnel in the Department and 17.7 percent was due to Provincial bursaries which was allocated in the current financial year from Department of Education.

### **Payments for capital assets**

The expenditure on capital assets is at 62.4 percent in 2017/18 financial year in comparison with 42 percent in the same period in 2016/17 which is higher by 20.4 percent, due to the previous year commitments.

## Departmental receipts

Table 1.4: Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Budget estimate	Adjusted estimate	Adjusted receipts estimate / Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Departmental receipts</b>	<b>5 854</b>	<b>3 386</b>	<b>57.8%</b>	<b>8 207</b>	<b>140.2%</b>	<b>5 949</b>	<b>5 949</b>	<b>100.0%</b>	<b>2 588</b>	<b>43.5%</b>
Tax receipts										
Sales of goods and services other than capital receipts	5 827	3 372	57.9%	5 471	93.9%	5 920	5 920	99.5%	2 131	36.0%
Transfers received				542						
Fines, penalties and forfeits										
Interest, dividends and rent on land										
Sales of capital assets				32						
Financial transactions in assets and liabilities	27	14	51.9%	2 162	8007.4%	29	29	0.5%	457	1575.9%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	<b>5 854</b>	<b>3 386</b>	<b>57.8%</b>	<b>8 207</b>	<b>140.2%</b>	<b>5 949</b>	<b>5 949</b>	<b>100.0%</b>	<b>2 588</b>	<b>43.5%</b>

## Revenue trends for the first half of 2017/18

### Commission from Insurance and Garnishees (under-collection)

The number of policy premiums processed by the Department varies from month to month, as officials increase or cancel their Insurance policies.

### Provincial Gazette (under-collection)

The budget has been over-inflated since 2014/2015, when R0.951 million of By-Laws was published for the National Department of Rural Development. This amount includes the 15 percent discount given.

The notices received by SPLUMA from private companies are relatively small and unpredictable.

There is currently downward trend in publication of notices.

### Tender Bulletin (over-collect)

The Department will continue to publish the Tender Bulletin until the Treasury Regulations is been amended.

32 out of 49 publications (65 percent) of the publications are late requests = charged at double rate.

### Sales of scrap (under-collection)

The Departmental Cell phone Policy has not yet been approved. No new contracts or upgrades are allowed until the Policy has been signed.

### Interest (under-collection)

The Department has no interest-bearing debt at the moment. The credit is due to the reversal of a transferred bursary debt of a new employee.

### Financial transactions in assets and liabilities (over-collect)

Catering and training costs, paid in previous year, claimed in current year.

A correction journal for R0.716 million has been processed in October 2017, to correct a debt taken on incorrectly.

2 laptops purchased in previous financial years, have been recovered from Officials' Pensions and another laptop will be recovered in November 2017.

### Changes to transfers and subsidies including conditional grants

Table 1.5: Summary of changes to transfers and subsidies per programme

		2017/18						
R thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds		
<b>1. Administration</b>	<b>22</b>				<b>155</b>		<b>155</b>	<b>177</b>
<b>Economic sphere</b>								
<b>Current</b>								
Households								
H/H Empl S/BEN:Leave gratuity	22				155		155	177
<b>2. Institutional Development</b>	<b>248 340</b>				<b>123</b>	<b>80 000</b>	<b>80 123</b>	<b>328 463</b>
<b>Economic sphere</b>								
<b>Current</b>								
Higher Education Institution								
Claims agnst state high edu inst	248 340					80 000	80 000	328 340
Households								
H/H Empl S/BEN:Leave gratuity					123		123	123
<b>3. Policy and Governance</b>	<b>1 415</b>				<b>238</b>		<b>238</b>	<b>1 653</b>
<b>Economic sphere</b>								
<b>Current</b>								
Households								
H/H:Donations&Gifts(Cash)	40							40
H/H Empl S/BEN:Leave gratuity	375				238		238	613
Non profit institution								
NPI:Donations&Gifts	1 000							1 000
<b>4. Monitoring and Evaluation</b>	<b>145</b>							<b>145</b>
<b>Economic sphere</b>								
<b>Current</b>								
Households								
H/H Empl S/BEN:Leave gratuity	145							145
<b>Total transfers and subsidies</b>	<b>249 922</b>				<b>516</b>	<b>80 000</b>	<b>80 516</b>	<b>330 438</b>

## Changes to earmarked funding

Table 1.6: Summary of changes to provincial earmarked funds

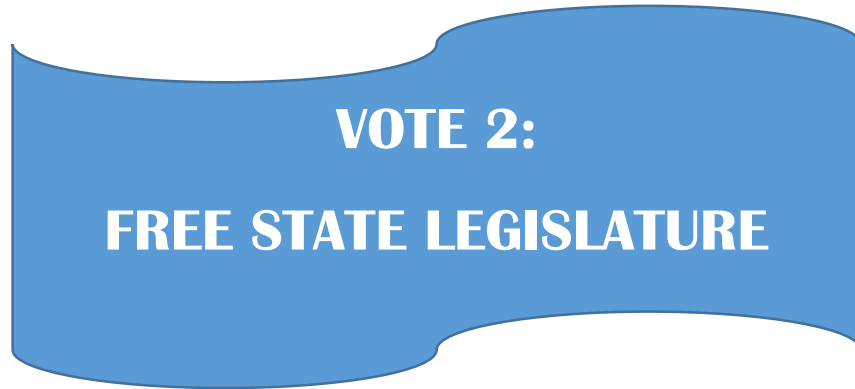
		2017/18								
		Adjustment appropriation								
		Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand										
<b>2. Institutional Development</b>		<b>248 340</b>						<b>80 000</b>	<b>80 000</b>	<b>328 340</b>
Economic sphere										
Current										
Higher Education Institution										
Claims agnst state high edu inst		248 340						80 000	80 000	328 340
<b>3. Policy and Governance</b>		<b>9 694</b>								<b>9 694</b>
Economic sphere										
Current										
Harrismith Logistic Hub										
Compensation of employees		3 000								3 000
Non profit institution										
NPI: Donations & Gifts		1 000								1 000
Economist Function										
Sal & Wages: Pensionable (Res)		4 580								4 580
HIV Function										
Compensation of employees		1 114								1 114
<b>4. Monitoring and Evaluation</b>		<b>78 326</b>								<b>78 326</b>
Economic sphere										
Current/Capital										
HR Capacity										
Compensation of employees		2 400								2 400
Community Development Workers										
Compensation of employees		75 926								75 926
<b>Total earmarked funds</b>		<b>336 360</b>						<b>80 000</b>	<b>80 000</b>	<b>416 360</b>

Table 1.7: Aid assistance

		2017/18								
		Adjustment appropriation								
		Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand										
<b>1. Administration</b>		<b>2 420</b>						<b>21 476</b>	<b>21 476</b>	<b>23 896</b>
Economic sphere										
Current										
Aid assistance/ donor		2 420						21 476	21 476	23 896
Training & Dev: Non Employees										
<b>Total aid assistance</b>		<b>2 420</b>						<b>21 476</b>	<b>21 476</b>	<b>23 896</b>

## Revised Infrastructure project list

Not applicable.



**VOTE 2:**  
**FREE STATE LEGISLATURE**

**Vote 2****Free State Provincial Legislature****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>234 044</b>		<b>243 056</b>	<b>(3 765)</b>	<b>12 777</b>
<i>of which economic classification:</i>					
Current payments	179 129		175 364	(3 765)	
Transfers and subsidies	52 705		62 069		9 364
Payments for capital assets	2 210		5 623		3 413
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	208 863		208 863		
Legislatures' Own Revenue			2 100		2 100
Retained Revenue			6 912		6 053
Provincial Receipts	25 181		25 181		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>234 044</b>		<b>243 056</b>		<b>8 153</b>
<b>Executive Authority: Hon M.G Qabathe</b>	<b>Speaker of the Free State legislature</b>				
<b>Accounting Officer: Mr LT Mofokeng</b>	<b>Secretary to the Free State Legislature</b>				
<b>Website address: www.fsl.gov.za</b>					

**Purpose**

The Adjustment Budget gives expression to the speakers' vision of being an activist Legislature that Champions Democracy. This vision of the Free State Legislature is in line with its mandate as derived from the Constitution of the Republic of South Africa (Act 108 of 1996). The aim is 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 were no changes to the programmes purposes, objective and measures. The FSL has thus not experienced or changed any indicators in the financial year 2017/18.

**Adjusted Estimates of Provincial Revenue & Expenditure 2017/18**

The adjusted appropriation 2017 for the Free State Legislature has made use of the virements & shift of funds within and between votes, which will be expressed in this chapter. The Legislature further adjusts its appropriation by R2.1 million from its own generated revenue and by R6.9 million from the retained revenue.

Total adjustments appropriation: The total adjustment appropriation for Administration is R114. 805 million [R114 million, eight hundred and five thousand rand], for Facilities & Benefits for Members is R66. 046 million [R66 million and forty six thousand rand], Parliamentary Services is R36. 555 million [R36 million, five hundred and fifty five thousand rand] and Direct Charges is R25. 650 million [R25 million, six hundred and fifty thousand rand].

The total adjustment appropriation for Compensation of Employees is R121.836 million [R121 million, eight hundred and thirty six thousand rand], for Goods and Services is R53. 528 million [R53 million, five hundred and twenty eight thousand rand], for Transfers and subsidies is R62. 069 million [R62 million and sixty nine thousand rand] and for payments of Capital Assets is R5.623 million [R5 million, six hundred and twenty three thousand rand].

Table 2.1(a): Adjusted Estimates per programme

2017/18									
Programme	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments			
R'thousand									
1. Administration	114 524				(6 311)		6 592	281	114 805
2. Facilities & Benefits for Members	55 663				7 983			10 383	66 046
3. Parliamentary Services	38 207				(1 672)			(1 652)	36 555
<b>Subtotal</b>	<b>208 394</b>						<b>9 012</b>	<b>9 012</b>	<b>217 406</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
Member's Remuneration	25 650								25 650
<b>Total</b>	<b>234 044</b>						<b>9 012</b>	<b>9 012</b>	<b>243 056</b>

## Economic classification

Table 2.1(b): Adjusted Estimates by economic classification

2017/18									
Economic classification	Main appropriation	Special appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments			
R'thousand									
<b>Current payments</b>	<b>179 129</b>				(7 933)		4 168	(3 765)	175 364
Compensation of employees	129 819				(7 983)			(7 983)	121 836
Goods and Services	49 310				50		4 168	4 218	53 528
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>52 705</b>				<b>7 823</b>		<b>1 541</b>	<b>9 364</b>	<b>62 069</b>
Provinces and municipalities									
Departmental agencies and accounts	52 251				7 983		1 541	9 524	61 775
Universities and technikons	14								14
Non-profit institutions	160				(160)			(160)	
Households	280								280
<b>Payments for capital assets</b>	<b>2 210</b>				<b>110</b>		<b>3 303</b>	<b>3 413</b>	<b>5 623</b>
Buildings and other fixed structures									
Machinery and equipment	2 065				162		3 303	3 465	5 530
Cultivated assets									
Software and other intangible assets	145				(52)			(52)	93
<b>Payments for financial assets</b>									
<b>Total</b>	<b>234 044</b>						<b>9 012</b>	<b>9 012</b>	<b>243 056</b>

## **Programme 1: Administration**

### **Purpose**

Administration provides for the core political and administrative management of the institution through the Offices of the Speaker and Accounting Officer whilst also delivering a support service to other programmes in the budget vote through the Finance and Corporate Services divisions. It facilitates the legislative and oversight functions through the programmes of Household and Portfolio Committees; and provides institutional support and corporate services. Public Participation encourages and supports the Legislation and Oversight done by the institution through providing public education to the community of the Free State.

### **Other adjustments- [R6.592 million]**

An additional amount of R3.289 million has been allocated against goods & services, for the purposes of ensuring that the Legislature is able to pay its obligations towards property administration costs as well as Auditor General Fees etc, which could not be fully funded in the initial allocation by Provincial Treasury.

An additional amount of R3.303 million is allocated towards payments for capital assets. The allocation is broken down as follows: An additional amount of R2.780 million is allocated for the purposes of replacing a VIP vehicle as well as fleet vehicles. An amount of R150 917 is allocated for the purposes of replacing the server for the Legislatures financial system. An amount of R72 000 is allocated for the replacement of laptops. The Legislature is in the process of implementing security measures, the security system as a precautionary measure, to safeguard or ward off impending danger; as it is a National Key point; hence the allocation of R300 000 for security equipment.

Table 2.1.1: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation					Adjusted appropriation
			Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	
R'thousand			Roll-overs					
1. Office of the Speaker	16 565				(2 043)	500	(1 543)	15 022
2. Office of the Secretary	33 008				1 998	662	2 660	35 668
3. Financial Management	41 526				(5 602)	4769	(833)	40 693
4. Corporate Services	23 425				(664)	661	(3)	23 422
<b>Total</b>	<b>114 524</b>				<b>(6 311)</b>	<b>6 592</b>	<b>281</b>	<b>114 805</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>111 985</b>				<b>(6 092)</b>	<b>3 289</b>	<b>(2 803)</b>	<b>109 182</b>
Compensation of employees	70 351				(6 191)		(6 191)	64 160
Goods and Services	41 634				99	3289	3 388	45 022
Interest and rent on land							-	-
<b>Transfers and subsidies to</b>	<b>454</b>				<b>(160)</b>		<b>(160)</b>	<b>294</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	14							14
Public corporations and private enterprises								
Non-profit institutions	160				(160)		(160)	
Households	280							280
<b>Payments for capital assets</b>	<b>2 085</b>				<b>(59)</b>	<b>3 303</b>	<b>3 244</b>	<b>5 329</b>
Buildings and other fixed structures								
Machinery and equipment	1940				(7)	3303	3 296	5 236
Cultivated assets								
Software and other intangible assets	145				(52)		(52)	93
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>114 524</b>				<b>-6 311</b>	<b>6 592</b>	<b>281</b>	<b>114 805</b>

**Direct charges**

Table 2.1.4: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation					Adjusted appropriation
			Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustment appropriation	
R'thousand			Roll-overs					
Direct Charges	25650							25 650
<b>Total</b>	<b>25 650</b>							<b>25 650</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>25 650</b>							<b>25 650</b>
Compensation of employees	25 650							25 650
Interest and rent on land								
<b>Total</b>	<b>25 650</b>							<b>25 650</b>

## Programme 2: Facilities and Benefits to Members

### Purpose

Facilities and Benefits to Members and political parties provides for the rendering of direct support services and facilities to elected representatives of the Free State Legislature as per the policy on payments, facilities and benefits to Member of the Legislature. It also provides for the rendering of support services to political parties represented in the Legislature.

### Other adjustments- [R10.383 million]

An additional amount of R0.859 million has been allocated against goods & services to defray off expenditure for subsistence and travel for constituency programmes. An amount of R1.541 million has been allocated to finance its mandate for political party grants as it was fully funded in the initial allocation by Provincial Treasury. An amount of R7.983 has also been allocated through reprioritisation of funds from compensation of employees to ensure that the funding to political parties is remains within the approved limits.

Table 2.1.2: Adjusted Estimates

		2017/18						
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. Facilities & Benefits to Members	3 412					859	859	4 271
2. Political Support Services	52 251			7 983		1 541	9 524	61 775
<b>Total</b>	<b>55 663</b>			<b>7 983</b>		<b>2 400</b>	<b>10 383</b>	<b>66 046</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 412</b>					<b>859</b>	<b>859</b>	<b>4 271</b>
Compensation of employees								
Goods and Services	3 412					859	859	4 271
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>52 251</b>			<b>7 983</b>		<b>1 541</b>	<b>9 524</b>	<b>61 775</b>
Provinces and municipalities								
Departmental agencies and accounts	52 251			7 983		1 541	9 524	61 775
Households								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>55 663</b>			<b>7 983</b>		<b>2 400</b>	<b>10 383</b>	<b>66 046</b>

## Programme 3: Parliamentary Services

### Purpose

The Parliamentary Services is responsible for the rendering of support services in respect of the legislative, oversight and accountability functions of the House and its Committees. These services are rendered through Hansard Directorate, Legislation & Oversight Directorate and Legal Services.

### Other adjustments- [R20 437]

An amount of R20 437 has been allocated in order to honour a labour settlement and this will be sourced from Legislatures own revenue collected this financial year.

Table 2.1.3: Adjusted Estimates

		2017/18						
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. Procedural Services	33 868				(1 211)		(1 211)	32 657
2. Legal Services	4 339				(461)	20	(441)	3 898
<b>Total</b>	<b>38 207</b>				<b>(1 672)</b>	<b>20</b>	<b>(1 652)</b>	<b>36 555</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>38 082</b>				<b>(1 841)</b>	<b>20</b>	<b>(1 821)</b>	<b>36 261</b>
Compensation of employees	33 818				(1 792)		(1 792)	32 026
Goods and Services	4 264				(49)	20	(29)	4 235
Interest and rent on land								
<b>Transfers and subsidies to</b>								
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	<b>125</b>				<b>169</b>		<b>169</b>	<b>294</b>
Buildings and other fixed structures								
Machinery and equipment	125				169		169	294
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>38 207</b>				<b>(1 672)</b>	<b>20</b>	<b>(1 652)</b>	<b>36 555</b>

## Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017

### Virements and shifts

#### Programme 1: Administration

An amount of **R6.191 million [R6 million, one hundred and ninety one thousand rand]** was virement from Administration from compensation of employees to Facilities & Benefits for Members & Political Party purposes political party funding.

An amount of **R160 000 [R160 thousand rand]** was shifted within Administration from Non-Profit Organisation to goods and services.

An amount of **R120 000 [R120 thousand rand]** was virement from the Administration to Parliamentary Services, for the purposes of ensuring that the Legislation & Oversight Directorate has sufficient funding for travelling and subsistence expenses in order to support the Legislatures programmes.

An amount of **R2.000 million [R2 million rand]** was shifted within the Office of the Speakers from Households to Goods & Services, for the purposes of correcting the allocation of the APAC budget.

**Programme3: Parliamentary Services**

An amount of **R210 000 [R210 thousand rand]** was shifted within Procedural Services from Goods & Services to Machinery & Equipment for the purposes of replacing PCs and laptops which no long have a life span.

An amount of **R1.792 [R1 million, seven hundred and ninety two thousand rand]** was virement from Parliamentary Services to Political Party Services for the purposes of funding the Political Party grant.

**Details on virements and shifts**

**Table 2.2: Details on virements and shifts**

Programmes	R'thousand	Programmes	R'thousand
1. Administration	(6 471)	1. Administration	6 471
2. Facilities & Benefits for Members		2. Facilities & Benefits for Members	
3. Parliamentary Services	(2 002)	3. Parliamentary Services	2 002
<b>Total</b>	<b>(8 473)</b>		<b>8 473</b>

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1</b>		<b>(160)</b>	<b>Programme 1</b>		<b>160</b>
<b>Non-profit institutions</b>	Funding of the Youth initiative book	(160)	<b>Good and services</b>	Funding of the Youth initiative book	160
<b>Programme 1</b>		<b>(120)</b>	<b>Programme 3</b>		<b>120</b>
<b>Good and services</b>	Legislation & Oversight had insufficient funds for oversight	(120)	<b>Good and services</b>	To curb expenditure under Legislation & Oversight	120
<b>Programme 1</b>		<b>(6 191)</b>	<b>Programme 2</b>		<b>6 191</b>
<b>Compensation of employees</b>	Delays in the filling of vacant funded positions	(6 191)	<b>Transfers &amp; Subsidies</b>	For shortfall: Political Party Funding	6 191
<b>Programme 3</b>		<b>(1 792)</b>	<b>Programme 2</b>		<b>1 792</b>
<b>Compensation of employees</b>	Delays in the filling of vacant funded positions	(1 792)	<b>Transfers &amp; Subsidies</b>	For shortfall: Political Party Funding	1 792
<b>Programme 3</b>		<b>(210)</b>	<b>Programme 3</b>		<b>210</b>
<b>Goods and services</b>	For replacement of PCs & Laptops without a life span: Legislation & Oversight	(210)	<b>Machinery &amp; Equipment</b>	For replacement of PCs & Laptops without a life span: Legislation & Oversight	210
<b>Total</b>		<b>(8 473)</b>			<b>8 473</b>

**Expenditure outcome for 2016/17 and actual expenditure for 2017/18****Expenditure trends****Table 2.3: Expenditure trends**

R thousand	2016/17					2017/18				
	Audited outcome					Actual expenditure				
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Adjusted /Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)	
<b>Programmes</b>										
1. Administration	107 906	47 874	44.4%	103 767	96.2%	114 805	47.2%	52 950	46.1%	
2. Facilities & Benefits for Members	61 886	29 472	47.6%	61 967	100.1%	66 046	27.2%	30 833	46.7%	
3. Parliamentary Services	34 011	15 368	45.2%	32 375	95.2%	36 555	15.0%	16 698	45.7%	
4. Direct Charges	24 429	11 379	46.6%	22 733	93.1%			11 357		
<b>Subtotal</b>	<b>228 232</b>	<b>104 093</b>	<b>45.6%</b>	<b>220 842</b>	<b>96.8%</b>	<b>217 406</b>	<b>89.4%</b>	<b>111 838</b>	<b>51.4%</b>	
<b>Direct charge against the Provincial Revenue Fund</b>						<b>25 650</b>				
						25 650	10.6%			
<b>Total</b>	<b>228 232</b>	<b>104 093</b>	<b>45.6%</b>	<b>220 842</b>	<b>96.8%</b>	<b>243 056</b>		<b>111 838</b>	<b>46.0%</b>	
<b>Economic Classification</b>										
<b>Current payments</b>	<b>164 819</b>	<b>76 094</b>	<b>46.2%</b>	<b>158 632</b>	<b>96.2%</b>	<b>175 364</b>	<b>72.1%</b>	<b>81 748</b>	<b>46.6%</b>	
Compensation of employees	115 288	53 725	46.6%	109 253	94.8%	121 836	50.1%	56 505	46.4%	
Goods and services	49 531	22 369	45.2%	49 379	99.7%	53 528	22.0%	25 243	47.2%	
Interest and rent on land										
<b>Transfers and subsidies</b>	<b>59 696</b>	<b>27 710</b>	<b>46.4%</b>	<b>59 143</b>	<b>99.1%</b>	<b>62 069</b>	<b>25.5%</b>	<b>28 794</b>	<b>46.4%</b>	
Provinces and municipalities										
Departmental agencies and accounts	58 102	27 260	46.9%	58 146	100.1%	61 775	25.4%	28 624	46.3%	
Universities and technikons	13					14		8	57.1%	
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions	200	60								
Households	1 381	390	28.2%	997	72.2%	280	0.1%	162	57.9%	
<b>Payments for capital assets</b>	<b>3 717</b>	<b>289</b>	<b>7.8%</b>	<b>3 067</b>	<b>82.5%</b>	<b>5 623</b>	<b>2.3%</b>	<b>1 296</b>	<b>23.0%</b>	
Buildings and other fixed structures										
Machinery and equipment	3 580	245	6.8%	3 023	84.4%	5 530	2.3%	1 222	22.1%	
Cultivated assets										
Software and other intangible assets	137	44	32.1%	44	32.1%	93		74	79.6%	
Land and subsoil assets										
Heritage assets										
<b>Payments for financial assets</b>										
<b>Total</b>	<b>228 232</b>	<b>104 093</b>	<b>45.6%</b>	<b>220 842</b>	<b>96.8%</b>	<b>243 056</b>	<b>100.0%</b>	<b>111 838</b>	<b>46.0%</b>	

## **Expenditure trends for the first half of the 2017/18**

Expenditure in the first half of 2017/18 is recorded at R111.838 million which is 51.40 per cent against the adjusted appropriation. When comparing this to the last financial year expenditure, which was recorded at 46 per cent; the expenditure has increased. The reason for the increase is due to the increased oversight programmes in place; such as NCOP week as well as Public Participation programmes which has resulted in an increase in goods & services.

### **Programme 1: Administration**

Expenditure for programme 1 is at 46 per cent, this is however in line with the cash flows of the Legislature. This is slightly more than the expenditure of 41 per cent incurred in 2015/16, and is an indication of improvement in financial performance against the set targets.

### **Programme 2: Facilities and Benefits for Members**

Expenditure is at 48 per cent, this has is incurred in line with the policy for political party funding and therefore expenditure shall remain within the adjusted appropriated budget. This year's per cent expenditure is less when compared to the expenditure recorded last year.

### **Programme 3: Parliamentary Services**

The expenditure is at 45 per cent and is in line with the budget objectives of this programme and cash flows; however, the delays in appointment of vacant funded positions contributed to the low expenditure. There is no underspending anticipated. When comparing this expenditure to that of last recorded at 45 per cent, there is a notable trend in expenditure.

## Departmental receipts

Table 2.4: Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Budget estimate	Adjusted estimate	Adjusted receipts estimate /Total (%)	Apr 2017 - Sep 2017	
		Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)				Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Departmental receipts</b>	1 326	249	18.8%	1 322	99.7%	1 700	2 181	100.0%	1 860	85.3%
Tax receipts										
Sales of goods and services other than capital receipts	80	59	73.8%	322	402.5%	100	1 350	61.9%	1 306	96.7%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	1 246	190	15.2%	1 000	80.3%	1246	831	38.1%	554	66.7%
Sales of capital assets						354				
Financial transactions in assets and liabilities										
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	<b>1 326</b>	<b>249</b>	<b>18.8%</b>	<b>1 322</b>	<b>99.7%</b>	<b>1 700</b>	<b>2 181</b>	<b>100.0%</b>	<b>1 860</b>	<b>85.3%</b>

## Revenue trends for the first half of 2017/18

The financial Management of Parliament and Provincial Legislatures ACT, 2009 requires that the Legislature must specify its expected revenue. The Legislature is not a revenue generating institution, but generates income from sources such as interest on investments, sale of goods other than capital receipts.

Legislature own revenue is R1.860 million that is at 85.3 per cent against adjusted anticipated revenue of R2.181 million. This is based on the Interest on investments received of R0.554 million, sale of capital assets revenue of R1.306 million. Of the sale of goods & services, is funds received from insurance claims to replace the VIP which was damaged.

Revenue collected to date is more when comparing it to that of the past financial year as recorded in Table 2.4. However, revenue received from interest depends on the investments therefore cannot project more as cash flows depend on the plans of the Legislature.

## Changes to transfers and subsidies, including conditional grants

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

		2017/18						
R thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds		
<b>1. Administration</b>	<b>454</b>				<b>(160)</b>		<b>(160)</b>	<b>294</b>
<b>Economic sphere</b>								
Higher education institutions	14							14
Non-profit Institution	160				(160)		(160)	
Households	280							280
<b>2. Facilities &amp; Benefits for Members</b>	<b>52 251</b>				<b>7 983</b>	<b>1 541</b>	<b>9 524</b>	<b>61 775</b>
<b>Economic sphere</b>								
<b>Current/Capital</b>								
Economic classification item								
Department Agencies	52 251				7 983	1 541	9 524	61 775
<b>3. Programme name</b>								
<b>Economic sphere</b>								
<b>Current/Capital</b>								
Economic classification item								
Item name								
<b>Total transfers and subsidies</b>	<b>52 705</b>				<b>7 823</b>	<b>1 541</b>	<b>9 364</b>	<b>62 069</b>
<b>EXAMPLE</b>								
<b>1. Administration</b>	<b>454</b>				<b>(160)</b>		<b>(160)</b>	<b>294</b>
<b>Current</b>								
<b>Universities and technikons</b>								
Universities and technikons	14							14
<b>Non-profit institutions</b>								
NPOs	160				(160)		(160)	
<b>Households</b>	<b>280</b>							<b>280</b>
H/H Empl Social Benefit- Cash Res	280							280
<b>2. Facilities &amp; Benefits for Members</b>								
<b>Current</b>								
<b>Departmental Agencies &amp; Accounts</b>								
Political Party Funding	52 251				7 983	1 541	9 524	61 775
<b>Total transfers and subsidies</b>	<b>52 705</b>				<b>7 823</b>	<b>1 541</b>	<b>9 364</b>	<b>62 069</b>

**VOTE 3:**

**DEPARTMENT OF ECONOMIC, SMALL BUSINESS  
DEVELOPMENT, TOURISM & ENVIRONMENTAL  
AFFAIRS**

**Vote 3****Department of Economic, Small Business Development, Tourism and Environmental Affairs****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>558 780</b>		<b>505 148</b>	<b>(73 703)</b>	<b>20 071</b>
<i>of which economic classification:</i>					
Current payments	385 342		337 634	(47 708)	
Transfers and subsidies	138 965		147 115		8 150
Payments for capital assets	34 473		20 399	(25 995)	11 921
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	400 392		383 120	(17 272)	
Conditional Grants	2 000		2 000		
Earmarked funds	128 123		91 763	(41 550)	5 190
Provincial Receipts	28 265		28 265		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>558 780</b>		<b>505 148</b>	<b>(58 822)</b>	<b>5 190</b>
<b>Amount not to be appropriated - Aid Assistance</b>			<b>295</b>		<b>295</b>

Executive Authority

MEC for Economic, Small Business Development, Tourism and Environmental Affairs

Accounting Officer

Head of Department: Economic, Small Business Development, Tourism and Environmental Affairs

Website address

[www.destea.fs.gov.za](http://www.destea.fs.gov.za)**Purpose**

To radically create a conducive, enabling environment for the creation of decent jobs, poverty and inequality reduction through sustainably managed environment and economic development programmes in the Free State.

**Changes to programme purposes, objectives and measures**

The function of Horticulture has been transferred to Agriculture and Rural Development effective from 1 November 2017.

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2017

Table 3.1(a): Adjusted Estimates per programme

Programme	2017/18							
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Administration	144 194			1 200	(11 055)		(9 855)	134 339
2. Environmental Affairs	174 338		5 190	1 292	(27 271)	(7 916)	(28 705)	145 633
3. Economic Development	221 972			6 403	(12 580)		(6 177)	215 795
4. Tourism	18 276			(8 895)			(8 895)	9 381
<b>Subtotal</b>	<b>558 780</b>		<b>5 190</b>		<b>(50 906)</b>	<b>(7 916)</b>	<b>(53 632)</b>	<b>505 148</b>
<b>Direct charge against the Provincial Revenue Fund</b>								
Item								
<b>Total</b>	<b>558 780</b>		<b>5 190</b>		<b>(50 906)</b>	<b>(7 916)</b>	<b>(53 632)</b>	<b>505 148</b>

## Economic classification

Table 3.1(b): Adjusted Estimates by economic classification

Economic classification	Adjustments Appropriation							
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
<b>Current payments</b>	<b>385 342</b>			(14 881)	(29 911)	(2 916)	(47 708)	<b>337 634</b>
Compensation of employees	237 891				(11 055)	(2 371)	(13 426)	224 465
Goods and Services	147 451			(14 881)	(18 856)	(545)	(34 282)	113 169
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>138 965</b>			<b>8 150</b>			<b>8 150</b>	<b>147 115</b>
Provinces and municipalities								
Departmental agencies and accounts	105 625			4 130			4 130	109 755
Universities and technikons								
Public corporations and private enterprises	32 260			3 000			3 000	35 260
Foreign governments and international organisations								
Non-profit institutions								
Households	1 080			1 020			1 020	2 100
<b>Payments for capital assets</b>	<b>34 473</b>		<b>5 190</b>	<b>6 731</b>	<b>(20 995)</b>	<b>(5 000)</b>	<b>(14 074)</b>	<b>20 399</b>
Buildings and other fixed structures	30 895		4 705		(20 995)	(5 000)	(21 290)	9 605
Machinery and equipment	3 578		485	5 136			5 621	9 199
Cultivated assets								
Software and other intangible assets				1 595			1 595	1 595
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>558 780</b>		<b>5 190</b>		<b>(50 906)</b>	<b>(7 916)</b>	<b>(53 632)</b>	<b>505 148</b>

**Programme 1: Administration**

Table 3.1.1: Adjusted Estimates

		2017/18					
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
R'thousand			Roll-overs				
1. Office of the MEC	12 515				(616)	(616)	11 899
2. Management Services	26 741				129	129	26 870
3. Financial Management	67 735				684 (11 055)	(10 371)	57 364
4. Corporate Services	37 203				1 003	1 003	38 206
<b>Total</b>	<b>144 194</b>				<b>1 200 (11 055)</b>	<b>(9 855)</b>	<b>134 339</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>143 542</b>				<b>(2 828) (11 055)</b>	<b>(13 883)</b>	<b>129 659</b>
Compensation of employees	91 911				(11 055)	(11 055)	80 856
Goods and Services	51 631				(2 828)	(2 828)	48 803
Interest and rent on land							
<b>Transfers and subsidies to</b>	<b>4</b>				<b>190</b>	<b>190</b>	<b>194</b>
Provinces and municipalities							
Departmental agencies and accounts	4						4
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households					190	190	190
<b>Payments for capital assets</b>	<b>648</b>				<b>3 838</b>	<b>3 838</b>	<b>4 486</b>
Buildings and other fixed structures							
Machinery and equipment	648				3 838	3 838	4 486
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>144 194</b>				<b>1 200 (11 055)</b>	<b>(9 855)</b>	<b>134 339</b>

**Programme 2: Environmental Affairs**

Table 3.1.2: Adjusted Estimates

		2017/18							
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation	
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments			
R'thousand									
1. Environ Policy, Planning and coord	5 266				2 051			2 051	7 317
2. Compliance and Enforcement	16 729				(30)			(30)	16 699
3. Environmental Quality Management	21 745		485		1 021			1 506	23 251
4. Biodiversity Management	115 165		4 705		(1 500)	(27 271)	(5 000)	(29 066)	86 099
5. Environ Empower Services	15 433				(250)		(2 916)	(3 166)	12 267
<b>Total</b>	<b>174 338</b>		<b>5 190</b>		<b>1 292</b>	<b>(27 271)</b>	<b>(7 916)</b>	<b>(28 705)</b>	<b>145 633</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>142 328</b>				<b>(2 664)</b>	<b>(6 276)</b>	<b>(2 916)</b>	<b>(11 856)</b>	<b>130 472</b>
Compensation of employees	93952						(2 371)	(2 371)	91 581
Goods and Services	48376				(2 664)	(6 276)	(545)	(9 485)	38 891
Interest and rent on land	0								
<b>Transfers and subsidies to</b>	<b>276</b>				<b>130</b>			<b>130</b>	<b>406</b>
Provinces and municipalities									
Departmental agencies and accounts	196				130			130	326
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	80								80
<b>Payments for capital assets</b>	<b>31 734</b>		<b>5 190</b>		<b>3 826</b>	<b>(20 995)</b>	<b>(5 000)</b>	<b>(16 979)</b>	<b>14 755</b>
Buildings and other fixed structures	30 895		4 705			(20 995)	(5 000)	(21 290)	9 605
Machinery and equipment	839		485		2 231			2 716	3 555
Cultivated assets									
Software and other intangible assets					1 595			1 595	1 595
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>174 338</b>		<b>5 190</b>		<b>1 292</b>	<b>(27 271)</b>	<b>(7 916)</b>	<b>(28 705)</b>	<b>145 633</b>

**Programme 3: Economic Development**

Table 3.1.3: Adjusted Estimates

		2017/18					
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable and shifts	Declared unspent funds		
R'thousand							
1. Intergrated Eco Dev	46 182			3 000		3 000	49 182
2. Economic Research and Plan	125 284			4 200		4 200	129 484
3. Small Business Develop	50 506			(797)	(12 580)	(13 377)	37 129
<b>Total</b>	<b>221 972</b>			<b>6 403</b>	<b>(12 580)</b>	<b>(6 177)</b>	<b>215 795</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>81 287</b>			<b>(464)</b>	<b>(12 580)</b>	<b>(13 044)</b>	<b>68 243</b>
Compensation of employees	44 050						44 050
Goods and Services	37 237			(464)	(12 580)	(13 044)	24 193
Interest and rent on land							
<b>Transfers and subsidies to</b>	<b>138 685</b>			<b>7 800</b>		<b>7 800</b>	<b>146 485</b>
Provinces and municipalities							
Departmental agencies and accounts	105 425			4 000		4 000	109 425
Universities and technikons							
Public corporations and private enterprises	32 260			3 000		3 000	35 260
Foreign governments and international organisations							
Non-profit institutions							
Households	1 000			800		800	1 800
<b>Payments for capital assets</b>	<b>2 000</b>			<b>(933)</b>		<b>(933)</b>	<b>1 067</b>
Buildings and other fixed structures							
Machinery and equipment	2 000			(933)		(933)	1 067
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>221 972</b>			<b>6 403</b>	<b>(12 580)</b>	<b>(6 177)</b>	<b>215 795</b>

**Programme 4: Tourism**

Table 3.1.4: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Tourism Planning	14 737				(8 695)		(8 695)	6 042
2. Tourism Growth and Development	1 255				(110)		(110)	1 145
3. Tourism Sector Transformation	2 284				(90)		(90)	2 194
<b>Total</b>	<b>18 276</b>				<b>(8 895)</b>		<b>(8 895)</b>	<b>9 381</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>18 185</b>				<b>(8 925)</b>		<b>(8 925)</b>	<b>9 260</b>
Compensation of employees	7 978							7 978
Goods and Services	10 207				(8 925)		(8 925)	1 282
Interest and rent on land								
<b>Transfers and subsidies to</b>					<b>30</b>		<b>30</b>	<b>30</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households					30		30	30
<b>Payments for capital assets</b>	<b>91</b>							<b>91</b>
Buildings and other fixed structures								
Machinery and equipment	91							91
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>18 276</b>				<b>(8 895)</b>		<b>(8 895)</b>	<b>9 381</b>

**Rollovers - R5.430 million**

The rollover funds to the amount of R5.430 million was approved for Infrastructure Enhancement Allocation (IEA).

**Declared unspent funds - (R50.906 million)**

The departmental budget was downscaled by a total of R50.906 million of which equitable share - R14.356 million, IEA –R23.970 million and earmarked allocation –R12.580 million.

**Reductions**

Not applicable

## Details on virements and shifts

Table 3.2: Details on virements and shifts

Programmes					
1. Administration		(2 828)	1. Administration		4 028
2. Environmental Affairs		(2 664)	2. Environmental Affairs		3 956
3. Economic Development		(5 867)	3. Economic Development		12 270
4. Tourism		(8 925)	4. Tourism		30
<b>Total</b>		<b>(20 284)</b>			<b>20 284</b>
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1: Administration</b>		<b>(2 828)</b>	<b>Programme 1: Administration</b>		<b>4 028</b>
<b>Goods and Services</b>	To fund payment of Photocopier lease and the instalation of Security Equipment	(2 638)	<b>Machinery and Equipment</b>	To fund payment of Photocopier lease and the instalation of Security Equipment	2 638
<b>Goods and Services</b>	Funds shifted to fund a donation	(190)	<b>Transfers and Subsidies</b>	Funds shifted to fund a donation	190
			<b>Machinery and Equipment</b>	Virement form Programme 4 to fund procurement of Laptops and payment of finance leases	1 200
<b>Percentage of programme budget</b>		<b>1%</b>			<b>1 200</b>
<b>Programme 2: Environmental Affairs</b>		<b>(2 664)</b>	<b>Programme 2: Environmental Affairs</b>		<b>3 956</b>
<b>Goods and Services</b>	Funds Shifted for Finance lease and domestic equipment	(939)	<b>Machinery and Equipment</b>	Funds Shifted for Finance lease and domestic equipment	939
<b>Goods and Services</b>	Funds shifted for software licence	(1 595)	<b>Transfers and Subsidies</b>	Funds shifted to fund Household Expenditure	130
<b>Goods and Services</b>	Funds shifted to fund Household Expenditure	(130)	<b>Software and Intangible Assets</b>		1 595
			<b>Machinery and Equipment</b>	Virements from progr 4 to Finance lease and domestic equipment	1 292
<b>Percentage of programme budget</b>		<b>%</b>	<b>Total adjustments</b>		<b>1 292</b>
<b>Programme 3: Economic Development</b>		<b>(5 867)</b>	<b>Programme 3: Economic Development</b>		<b>12 270</b>
<b>Goods and Services</b>	Transfer to FDC for Incubator Programme	(3 000)	<b>Transfers and Subsidies</b>	Transfer to FDC for Incubator Programme	3 000
<b>Goods and Services</b>	Shifting for Donations	(800)	<b>Transfers and Subsidies</b>	Shifting for Donations	800
<b>Goods and Services</b>	Sifting for Finance lease and Computers	(567)	<b>Machinery and Equipment</b>	Sifting for Finance lease and Computers	567
<b>Transfers and Subsidies</b>		-	<b>Goods and Services</b>	Virement from progr 4; Radical Econ Transformation	2 403
<b>Machinery and Equipment</b>	Reclassification of SMME Equioment	(1 500)	<b>Goods and Services</b>	Reclassification of SMME Equioment	1 500
			<b>Goods and Services</b>	Virement of Tourism Promotion	4 000
<b>Percentage of programme budget</b>		<b>%</b>	<b>Total adjustments</b>		<b>6 403</b>
<b>Programme 4: Tourism</b>		<b>(8 925)</b>	<b>Programme 4: Tourism</b>		<b>30</b>
<b>Goods and Services</b>	Virements to Prog 3: Radical Economic Development	(2 403)	<b>Transfers and Subsidies</b>	Shifting to fund Donations	30
<b>Goods and Services</b>	Virement to Prog 2: for Finance Lease	(1 292)			
<b>Goods and Services</b>	Virement to Prog 1: for Laptops and Finance lease	(1 200)			
<b>Goods and Services</b>	Virements to Prog 3: Tourism Promotion	(4 000)			
<b>Goods and Services</b>	Shifting to fund Donations	(30)			
<b>Percentage of programme budget</b>		<b>0</b>	<b>Total adjustments</b>		<b>(8 895)</b>
<b>Total</b>		<b>(20 284)</b>			<b>20 284</b>

## **Virements and shifts**

### **Programme 1: Administration**

#### ***Goods and Services***

- Shifting within programme 1 of R2.638 million was done from goods and services to machinery and equipment to pay for lease of photocopiers and security equipment.
- An amount of R0.190 million was shifted for donations
- A virement of R1.200 million was made from programme 4 to fund the lease of photo copiers.

### **Programme 2: Environmental Affairs**

#### ***Goods and services***

- Shifting within programme 2 of R0.939 million was implemented from goods and services to machinery and equipment to buy for leases. An additional R0.299 million was shifted to fund the procurement of Software.

#### ***Software and Intangible Assets***

- An amount of R1.595 million was shifted from goods and services to fund procurement of software for permits.
- A virement of R1.292 million was made from programme 4 to finance leases and domestic equipment.

### **Programme 3: Economic Development**

#### ***Goods and Services***

- An amount of R3 million was transferred for incubator programme to FDC.
- A virement of R2.403 million was made from programme 4 for Radical Economic Transformation mainly reclassification.

#### ***Transfers and Subsidies***

- An amount of R0.800 million was shifted for donations.

#### ***Machinery and Equipment***

- An amount of R1.000 million was shifted to fund National Tourism Expo (NTCE).

### **Programme 4: Tourism**

#### ***Goods and Services***

The following virements were implemented to align the budget with the database:

- Virements to programme 3: Radical Economic Transformation R2.403 million
- Virements to Programme 2: for Finance lease R1.292 million
- Virements to Programme 1: for Office Equipment and Leases.
- Virements to Programme 3: Tourism Promotion

**Other adjustments**

Not applicable

**Funds shifted between votes following a transfer of function - (R7.916 million)**

The Horticulture function has been transferred from the department of Economic, Small Business Development, Tourism and Environmental Affairs, effective from 1 November 2017 to the department of Agriculture and Rural Development. A total of R7.916 million was transferred of which R2.371 million is for CoE, R0.545 million for goods and services and R5.000 million for infrastructure.

**Funds shifted within a vote following a function shift**

Not applicable

**Appropriation of expenditure earmarked in the 2017 Budget Speech for future allocation**

Not applicable

**Adjustment due to significant and unforeseeable economic and financial event**

Not applicable

**Use of funds in emergency situations**

Not applicable

**Self-financing expenditure**

Not applicable

**Gifts, Donations and Sponsorship**

**Direct charges against the Provincial Revenue Fund**

Not applicable

## Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Table 3.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	Apr 2016 - Sep 2016 (% of adjusted appropriation)	Apr 2016 - Mar 2017	Apr 2016 - Mar 2017 (% of adjusted appropriation)	Adjusted appropriation	Adjusted appropriation / Total (%)	Apr 2017 - Sep 2017	Apr 2017 - Sep 2017 (% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	139 919	68 480	48,9%	134 744	96,3%	144 194	25,8%	35 030	24,3%
2. Environmental Affairs	161 305	61 670	38,2%	139 488	86,5%	174 338	31,2%	110 686	63,5%
3. Economic Development	159 487	53 723	33,7%	171 940	107,8%	221 972	39,7%	111 608	50,3%
4. Tourism	29 628	4 846	16,4%	16 904	57,1%	18 276	3,3%	1 113	6,1%
<b>Subtotal</b>	<b>490 339</b>	<b>188 719</b>	<b>38,5%</b>	<b>463 076</b>	<b>94,4%</b>	<b>558 780</b>	<b>100,0%</b>	<b>258 437</b>	<b>46,3%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>490 339</b>	<b>188 719</b>	<b>38,5%</b>	<b>463 076</b>	<b>94,4%</b>	<b>558 780</b>	<b>100%</b>	<b>258 437</b>	<b>46,3%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>342 576</b>	<b>146 640</b>	<b>42,8%</b>	<b>305 977</b>	<b>89,3%</b>	<b>385 342</b>	<b>69,0%</b>	<b>154 261</b>	<b>40,0%</b>
Compensation of employees	222 654	110 428	49,6%	218 930	98,3%	237 891	42,6%	115 578	48,6%
Goods and services	119 922	36 212	30,2%	87 047	72,6%	147 451	26,4%	38 683	26,2%
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>134 481</b>	<b>71 031</b>	<b>52,8%</b>	<b>141 240</b>	<b>105,0%</b>	<b>138 965</b>	<b>24,9%</b>	<b>102 304</b>	<b>73,6%</b>
Provinces and municipalities	240			149	62,1%				
Departmental agencies and accounts	114 284	64 435	56,4%	121 389	106,2%	105 625	18,9%	70 940	67,2%
Universities and technikons									
Public corporations and private enterprises	19 508	6 200	31,8%	18 508	94,9%	32 260	5,8%	30 260	93,8%
Foreign governments and international organisations									
Non-profit institutions									
Households	449	396	88,2%	1 194	265,9%	1 080	0,2%	1 104	102,2%
<b>Payments for capital assets</b>	<b>13 282</b>	<b>5 041</b>	<b>38,0%</b>	<b>15 452</b>	<b>116,3%</b>	<b>34 473</b>	<b>6,2%</b>	<b>1 872</b>	<b>5,4%</b>
Buildings and other fixed structures	9 325	4 152	44,5%	13 124	140,7%	30 895	5,5%	1 408	4,6%
Machinery and equipment	3 658	875	23,9%	2 328	63,6%	3 578	0,6%	464	13,0%
Cultivated assets									
Software and other intangible assets	299	14	4,7%						
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>				<b>407</b>					
<b>Total</b>	<b>490 339</b>	<b>222 712</b>	<b>45,4%</b>	<b>463 076</b>	<b>94,4%</b>	<b>558 780</b>	<b>100,0%</b>	<b>258 437</b>	<b>46,3%</b>

## **Main expenditure trends for the first half of the 2016/17 and 2017/18 financial year**

Expenditure in the first six months of 2016/17 amounted to R222.712 million or 45.4 percent of the budget. For 2017/18 spending was R258.437 million or 46.3 percent of the budget, slow spending is due to interruption of systems during relocation of the department.

### **Programmes:**

#### **Programme: 1: Administration**

The Expenditure on Administration is at 24 percent in the first six months of 2017/18 as compared to 48.9 percent in the previous financial year. Expenditure has slower due to slow start of procurement processes.

#### **Programme: 2: Environmental Affairs**

The expenditure on Environmental Affairs is standing at 63 percent for 2017/18 compared to 38 percent in the previous financial year. High spending is due to costs from other programmes accruing in this programme due to misalignment of BAS and Persal.

#### **Programme: 3 Economic Development**

Economic Development has spent 50.3 percent of the budget this year, compared to 46 percent last financial year. High spending is due to on time transfer of funds to departmental entities.

#### **Programme4: Tourism**

The 6.1 percent spending in 2017/18 compared to 53 percent of previous year is due to Tourism Promotion budget allocated in this programme instead of being allocated under Tourism Authority. The funds will be transferred to FSGTLA during adjustment.

### **Economic Classification:**

#### **Compensation of Employees**

The department has spent 48 percent in the first six months, this will increase as most of the appointment were made in October/November month.

#### **Goods and Services**

The department has improved this year at 26 percent compared to 30 percent last year. Slow spending is due to lack of spending on earmarked funds.

#### **Building and other Fixed Structures**

Expenditure in this area is delayed by the Department of Public Works, which an implementing agent for the department. The budget on this item has been reprioritized to fund pressures within the department.

#### **Machinery and Equipment**

Expenditure is standing at 13 percent for the current financial year. This will improve due to new appointments in the department.

## Departmental receipts

Table 2.4: Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Budget estimate	Adjusted estimate	Adjusted receipts / Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Departmental receipts</b>	<b>26 156</b>	<b>4 442</b>	<b>17.0%</b>	<b>11 336</b>	<b>43.3%</b>	<b>22 314</b>	<b>22 314</b>	<b>100.0%</b>	<b>5 489</b>	<b>24.6%</b>
Tax receipts	25 269	4 260	16.9%	10 428	41.3%	21 374	21 374	95.8%	4 686	21.9%
Sales of goods and services other than capital receipts										
Transfers received										
Fines, penalties and forfeits	711	5	0.7%	30	4.2%	754	134	0.6%		
Interest, dividends and rent on land	12	8	66.7%	28	233.3%	12	12	0.1%	10	83.3%
Sales of capital assets										
Financial transactions in assets and liabilities	164	169	103.0%	850	518.3%	174	794	3.6%	793	99.9%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	<b>26 156</b>	<b>4 442</b>	<b>17.0%</b>	<b>11 336</b>	<b>43.3%</b>	<b>22 314</b>	<b>22 314</b>	<b>100.0%</b>	<b>5 489</b>	<b>24.6%</b>

## Revenue trends for the first half of 2017/18

### Performance in 2017/18

The Department managed to reach the revenue target, which was largely due to two game auctions that took place (one is an annual event and the other one was targeted at animals that were in pristine condition and were of great interest to buyers that were willing to pay more for that quality). These two auctions resulted in total revenue worth R20.507 million; which is the highest ever amount collected by the Department since the introduction of this process.

The Department did not conduct the annual game auction on time for 2016/17 (which normally takes place in April). This is a major source of income and constitutes just over 50 percent of the total revenue budget. This event will only take place in February 2018 and it is expected that all the money that is payable for the auction will be paid before the end of the 2017/18 financial year. In terms of the Departmental game management plan, there is two-year cycle for game disposal, which would result in some game reserves selling game in one financial year and not selling in the other so as to allow breeding to take place and this has a huge impact on revenue collection.

The fluctuation in the estimated game auction sales has a major impact of revenue projection and this is dependent on a number of factors, like (but not limited to):

- The frequency of rainfall
- The quality of vegetation
- Market demand for particular game species
- Reproductive/breeding rate

The Department has taken back the management and control of Phillip SANDERS Resort and it is expected that this will provide a new revenue stream from the sale of goods & services due to the size of its accommodation facilities and close proximity to Bloemfontein.

Interest revenue from the Free State Gambling and Liquor Authority (FSGLA) is no longer part of Departmental revenue due to the change in accounting treatment as outlined in the Modified Cash Standard (Accounting Manual for Government Departments).

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2017/18					Adjusted appropriation	
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts		
<b>1. Administration</b>	<b>4</b>				<b>190</b>	<b>194</b>	
<b>Economic sphere</b>							
<b>Current</b>							
Economic classification item							
Departmental Agencies and Accounts	4					4	
Households					190	190	
<b>2. Environmental Affairs</b>	<b>276</b>				<b>130</b>	<b>406</b>	
<b>Economic sphere</b>							
<b>Current/Capital</b>							
Economic classification item							
Departmental Agencies and Accounts	196					196	
Households	80				130	210	
<b>3. Economic Development</b>	<b>138 685</b>				<b>7 800</b>	<b>146 485</b>	
<b>Economic sphere</b>							
<b>Current/Capital</b>							
Economic classification item							
Departmental Agencies and Accounts	105 425				4 000	109 425	
Public Corp & Private Enterprise	32 260				3 000	35 260	
Households	1 000				800	1 800	
Item name							
<b>4. Tourism</b>					<b>30</b>	<b>30</b>	
<b>Economic sphere</b>							
<b>Current/Capital</b>							
Economic classification item							
Households					30	30	
<b>Total transfers and subsidies</b>	<b>138 965</b>				<b>8 150</b>	<b>147 115</b>	
<b>1. Administration</b>	<b>4</b>				<b>190</b>	<b>194</b>	
<b>Economic sphere</b>							
<b>Current</b>							
Economic classification item							
TV Licences	4					4	
Households/ Social Benefits					190	190	
<b>2. Environmental Affairs</b>	<b>276</b>				<b>130</b>	<b>406</b>	
<b>Economic sphere</b>							
<b>Current/Capital</b>							
Economic classification item							
TV Licences	196					196	
H/H Social Benefits	80				130	210	
<b>3. Economic Development</b>	<b>138 685</b>				<b>7 800</b>	<b>146 485</b>	
<b>Economic sphere</b>							
<b>Current/Capital</b>							
Economic classification item							
Transfer to FGTLA	105 425				4 000	109 425	
Transfer to FDC and Black business chamber	32 260				3 000	35 260	
NGO and Cash Donations	1 000				800	1 800	
Item name							
<b>4. Tourism</b>					<b>30</b>	<b>30</b>	
<b>Economic sphere</b>							
<b>Current/Capital</b>							
Economic classification item							
Households Social benefits					30	30	
<b>Total transfers and subsidies</b>	<b>138 965</b>				<b>8 150</b>	<b>147 115</b>	

**Changes to conditional grants:**

Table 3.6(a): Summary of changes to conditional grants

R thousand	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>2. Environmental Affairs</b>	<b>2 000</b>								<b>2 000</b>
<b>Economic sphere</b>									
<b>Current/Capital</b>									
EPWP	2 000								2 000
Item name									
<b>Total conditional grants</b>	<b>2 000</b>								<b>2 000</b>

**Changes to earmarked funds:**

Table 3.6(b): Summary of changes to provincial earmarked funds

R thousand	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>2. Environmental Affairs</b>	<b>47 672</b>		<b>5 190</b>			<b>(23 970)</b>	<b>(5 000)</b>	<b>(23 780)</b>	<b>23 892</b>
<b>Economic sphere</b>									
<b>Current/Capital</b>									
Earmarked fund									
Waste Mangement	2 000								2 000
Infrastructure Enhancement Allocation	45 672		5 190			(23 970)	(5 000)	(23 780)	21 892
<b>3. Economic Development</b>	<b>76 451</b>				<b>4 000</b>	<b>(12 580)</b>		<b>(8 580)</b>	<b>67 871</b>
<b>Economic sphere</b>									
<b>Current/Capital</b>									
<b>Earmarked fund</b>									
Flee Market-Dev & Supp Of Craft	10 000					(10 000)		(10 000)	
Flower Festival (FSLTA)	12 000								12 000
Global Trade Brige/Glob Bri Rou	2 000								2 000
Maluti Sez (FDC)	4 000								4 000
Ngo Adoption	1 000								1 000
Radical Economic Transfor (Dept)	15 000								15 000
Radical Economic Transorm (FDC)	15 000								15 000
Risk Sharing & Black Industriali	7 000								7 000
SMME Equipment Support	1 500								1 500
SMME Incubator Programme	6 000				(10)	(2 400)		(2 410)	3 590
Tex tile Fashion Support	500								500
Training & Roadshows In Township	2 000								2 000
Youth Trade Fair	451				10	(180)		(170)	281
Tourism Promotion	-				4 000			4 000	4 000
<b>4. Tourism</b>	<b>4 000</b>				<b>(4 000)</b>			<b>(4 000)</b>	
<b>Economic sphere</b>									
<b>Current/Capital</b>									
Earmarked fund									
Radical Economic Transpormation (Dept)									
Tourism Promotion	4 000				(4 000)			(4 000)	
<b>Total earmarked funds</b>	<b>128 123</b>		<b>5 190</b>			<b>(36 550)</b>	<b>(5 000)</b>	<b>(36 360)</b>	<b>91 763</b>

## Revised Infrastructure project list

Table 3.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Expenditure (from start of project until 31 March 2017)	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18	Expenditure as at 30 September 2017
								Date: Start	Date: Finish					Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)		
<b>1. New infrastructure assets (R thousand)</b>																	
1	Karee Nursery	Construction of new offices	Motheo	Mangaung	Bloemfontein	Infrastructure Enhancement allocation		30/12/2017			25 000		2 000		(2 000)		
2	Maria Moroka	Retention fee	Motheo	Mangaung	Bloemfontein	Infrastructure Enhancement allocation	Individual Package	01/04/2014	30/03/2016		25 000			900		900	
3	Rustfontein	Construction of Environmental center	Motheo	Mangaung	Bloemfontein	Infrastructure Enhancement allocation	Individual Package	01/06/2010	30/12/2012		12 000		600		(600)		
3	See koeivlei	Upgrade Rest Camp	Thabo Mofutsanyane	Maluti an Phfung	Phuthaditjhaba	Infrastructure Enhancement allocation		01/04/2014	30/10/2014		3 000		600		(600)		
<b>Total new infrastructure assets</b>													<b>3 200</b>	<b>900</b>	<b>(3 200)</b>	<b>900</b>	
<b>2. Maintenance and repair (R thousand)</b>																	
1	Waste Management	aintenance of Lanfill sites	All	All	All	Infrastructure Enhancement allocation		01/04/2016	30/03/2019			1 277		(1 277)			
2	All Reserves and Resorts	Maintenance of Resorts and reserves	All	All	All	Infrastructure Enhancement allocation		01/04/2017	30/03/2018		5 898	4 363	8 500		(1 698)	6 802	921
<b>Total maintenance and repair</b>													<b>9 777</b>		<b>(2 975)</b>	<b>6 802</b>	<b>921</b>
<b>3. Upgrades and additions (R thousand)</b>																	
1	Soeldoring	Upgrade of Train camp	Lejweleputswa	Tswelopele	Bultfontein	Infrastructure Enhancement allocation		01/03/2012			35 400	12 382	500	4 705	(900)	4 305	364
2	Karee Nursery	Upgrade of hydroponic and irrigation system	Motheo	Mangaung	Bloemfontein	Infrastructure Enhancement allocation		01/04/2017				3 000		(3 000)			
3	Sanveld Resort	Upgrade of Visitors Facilities	Lejweleputswa	Tswelopele	Hopstaa	Infrastructure Enhancement allocation		01/04/2011	30/12/2014		25 000		9 595		(9 595)		
5	Tussen die rivier	Upgrade of Abattoir	Xhariep	Kopanong	Bethulie	Infrastructure Enhancement allocation		01/04/201	30/12/2012		8 000	1 500	300		(300)		
6	Upgrade of Fences for	All	all	All	All	Infrastructure Enhancement allocation		01/04/2012	30/03/2018		11 475	12 343	6 000		(2 400)	3 600	804
<b>Total upgrades and additions</b>													<b>19 395</b>	<b>4 705</b>	<b>(16 195)</b>	<b>7 905</b>	<b>1 168</b>
<b>4. Refurbishment and rehabilitation (R thousand)</b>																	
1	Phillip Sanders	Refurbishment of Phillip Sanders	Motheo	Mangaung	Bloemfontein	Infrastructure Enhancement allocation		01/04/2017				3 000		(2 500)	500		
2	Staff housing all resorts & Reser		All	All	All	Infrastructure Enhancement allocation		01/04/2017	30/03/2018			5 000		(5 000)			
<b>Total refurbishment and rehabilitation</b>													<b>8 000</b>		<b>(7 500)</b>	<b>500</b>	
<b>TOTAL INFRASTRUCTURE ADJUSTMENT</b>													<b>40 372</b>	<b>5 605</b>	<b>(29 870)</b>	<b>16 107</b>	<b>2 089</b>
<b>TOTAL INFRASTRUCTURE</b>													<b>45 672</b>	<b>5 605</b>	<b>(29 870)</b>	<b>21 407</b>	<b>2 768</b>

**Note 1:** if you took money from the current project to the new one – indicate money from with minus (-) and money to with plus (+), i.e. {shifting between projects}

**Note 2:** If funds are being reprioritised from voted funds towards infrastructure, that must be indicated and the total funding should be specified as a note below the table, i.e. narration must be provided.

Table 3.8: Summary of adjusted infrastructure appropriation

Infrastructure	2017/18		
	Main Appropriation	Increase/Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>	<b>42 172</b>	<b>(21 965)</b>	<b>20 207</b>
Maintenance and repair	14 777	(2 975)	11 802
Upgrades and additions	19 395	(11 490)	7 905
Refurbishment and rehabilitation	8 000	(7 500)	500
<b>New infrastructure assets</b>			
<b>Infrastructure transfers</b>	<b>3 500</b>	<b>(2 300)</b>	<b>1 200</b>
Current			
Capital	3 500	(2 300)	1 200
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Total Infrastructure</b>	<b>45 672</b>	<b>(24 265)</b>	<b>21 407</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>	<b>14 777</b>	<b>(2 975)</b>	<b>11 802</b>
Compensation of employees			
Goods and Services	14777	(2 975)	11 802
Interest and rent on land			
<b>Transfers and subsidies to</b>			
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households			
<b>Payments for capital assets</b>	<b>30 895</b>	<b>(21 290)</b>	<b>9 605</b>
Buildings and other fixed structures	30895	(21 290)	9 605
Machinery and equipment			
Cultivated assets			
Software and other intangible assets			
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>45 672</b>	<b>(24 265)</b>	<b>21 407</b>

**Aid Assistance (EPWP: National Department of Environmental Affairs)**

Table 3.9: Aid assistance

		2017/18							
		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. Programme name			295					295	295
Economic sphere									
Current/Capital									
Aid assistance/ donor									
FSPBR			295					295	295
<b>Total aid assistance</b>			<b>295</b>					<b>295</b>	<b>295</b>

**Name of the Project:** Free State Priority Biodiversity Rehabilitation Project (FSPBR)

**Purpose:**

To contribute to the restoration and maintenance of natural resources and ecosystem services, and thereby the optimising of the conservation and use of natural resources, in doing so, it will address poverty relief and promote economic empowerment and transformation within a public works' framework".

**Budget:** R2.472 million

**Start:** 01 November 2015

**End:** 30 March 2018

An amount of R0.295 million is the remaining balance of the allocated budget for 2017/18 financial year.



**VOTE 4:  
PROVINCIAL TREASURY**

**Vote 4****Department of Free State Provincial Treasury****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>315 314</b>		<b>327 890</b>	<b>(19 708)</b>	<b>32 284</b>
<i>of which economic classification:</i>					
Current payments	306 889		287 181	(19 708)	
Transfers and subsidies	6 369		29 630		23 261
Payments for capital assets	2 056		11 079		9 023
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	205 559		206 324	(19 708)	20 473
Conditional Grants					
Earmarked funds	53 596		65 407		11 811
Provincial Receipts	56 159		56 159		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>315 314</b>		<b>327 890</b>	<b>(19 708)</b>	<b>32 284</b>
<b>Amount not to be appropriated - Aid Assistance</b>					
<b>Executive Authority</b>	<b>MEC for Finance</b>				
<b>Accounting Officer</b>	<b>Head of Department: Provincial Treasury</b>				
<b>Website address</b>	<a href="http://www.treasury.fs.gov.za">www.treasury.fs.gov.za</a>				

**Vote Purpose**

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**

There are no changes to programme purposes and measurable objective

## Adjusted Estimate of Provincial Revenue & Expenditure 2017

Table 4.1(a): Adjusted Estimates per programme

Programme	2017/18								
	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. Administration	103 840		1 003		(4 001)			(2 998)	100 842
2. Sustainable Resource Management	41 896				1 029			1 029	42 925
3. Asset And Liabilities Management	76 814		5 813		2 701			8 514	85 328
4. Financial Governance	29 054		5 423		925			6 348	35 402
5. Municipal Finance Management	63 710		337		(654)			(317)	63 393
<b>Subtotal</b>	<b>315 314</b>		<b>12 576</b>					<b>12 576</b>	<b>327 890</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
Item									
<b>Total</b>	<b>315 314</b>		<b>12 576</b>					<b>12 576</b>	<b>327 890</b>

## Economic classification

Table 4.1(b): Adjusted Estimates by economic classification

Economic classification	Adjustments Appropriation								
	Main appropriation	Special appropriation	Adjustments				Total adjustment appropriation	Adjusted appropriation	
			Unforeseeable / unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R'thousand			Roll-overs						
<b>Current payments</b>	<b>306 889</b>		<b>6 763</b>		<b>(26 471)</b>			<b>(19 708)</b>	<b>287 181</b>
Compensation of employees	205 484				(1 894)			(1 894)	203 590
Goods and Services	101 405		6 763		(24 577)			(17 814)	83 591
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>6 369</b>				<b>23 261</b>			<b>23 261</b>	<b>29 630</b>
Provinces and municipalities	5 000				22 800			22 800	27 800
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	1 000								1 000
Households	369				461			461	830
<b>Payments for capital assets</b>	<b>2 056</b>		<b>5 813</b>		<b>3 210</b>			<b>9 023</b>	<b>11 079</b>
Buildings and other fixed structures									
Machinery and equipment	2 056				3 210			3 210	5 266
Cultivated assets									
Software and other intangible assets			5 813					5 813	5 813
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>315 314</b>		<b>12 576</b>					<b>12 576</b>	<b>327 890</b>

**Programme 1: Administration**

Table 4.1.1: Adjusted Estimates

		2017/18						
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					
Office Of The Mec	7 501				(664)		(664)	6 837
Management Services	15 622		238		355		593	16 215
Corporate Services	31 929		511		(3 387)		(2 876)	29 053
Financial Management (Office Of The Cfo)	43 644				(447)		(447)	43 197
Internal Audit (Departmental)	5 144		254		142		396	5 540
<b>Total</b>	<b>103 840</b>		<b>1 003</b>		<b>(4 001)</b>		<b>(2 998)</b>	<b>100 842</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>100 588</b>		<b>1 003</b>		<b>(5 460)</b>		<b>(4 457)</b>	<b>96 131</b>
Compensation of employees	76 263				(2 981)		(2 981)	73 282
Goods and Services	24 325		1 003		(2 479)		(1 476)	22 849
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>1 369</b>							<b>1 369</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 000							1 000
Households	369							369
<b>Payments for capital assets</b>	<b>1 883</b>				<b>1 459</b>		<b>1 459</b>	<b>3 342</b>
Buildings and other fixed structures								
Machinery and equipment	1 883				1 459		1 459	3 342
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>103 840</b>		<b>1 003</b>		<b>(4 001)</b>		<b>(2 998)</b>	<b>100 842</b>

## Programme 2: Sustainable Resource Management

Table 4.1.2: Adjusted Estimates

2017/18								
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					
Programme Support	1 277			540			540	1 817
Economic Analysis	7 806			(170)			(170)	7 636
Fiscal Policy	7 414			66			66	7 480
Budget Management	11 449			201			201	11 650
Public Finance	13 104			397			397	13 501
Compensation Directorate	846			(5)			(5)	841
<b>Total</b>	<b>41 896</b>			<b>1 029</b>			<b>1 029</b>	<b>42 925</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>41 747</b>			<b>813</b>			<b>813</b>	<b>42 560</b>
Compensation of employees	38 473			854			854	39 327
Goods and Services	3 274			(41)			(41)	3 233
Interest and rent on land								
<b>Transfers and subsidies to</b>				<b>171</b>			<b>171</b>	<b>171</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households				171			171	171
<b>Payments for capital assets</b>	<b>149</b>			<b>45</b>			<b>45</b>	<b>194</b>
Buildings and other fixed structures								
Machinery and equipment	149			45			45	194
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>41 896</b>			<b>1 029</b>			<b>1 029</b>	<b>42 925</b>

### Programme 3: Asset & Liability Management

Table 4.1.3: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Unavoidable	Virements and shifts	Declared unspent funds		
R'thousand								
Programme Support	1 774				(97)		(97)	1 677
Asset Management	28 406		5 813		(1 384)		4 429	32 835
Supporting And Interlinked Financial System	46 634				4 182		4 182	50 816
<b>Total</b>	<b>76 814</b>		<b>5 813</b>		<b>2 701</b>		<b>8 514</b>	<b>85 328</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>76 814</b>				<b>1 123</b>		<b>1 123</b>	<b>77 937</b>
Compensation of employees	36 933				843		843	37 776
Goods and Services	39 881				280		280	40 161
Interest and rent on land								
<b>Transfers and subsidies to</b>					<b>50</b>		<b>50</b>	<b>50</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households					50		50	50
<b>Payments for capital assets</b>			<b>5 813</b>		<b>1 528</b>		<b>7 341</b>	<b>7 341</b>
Buildings and other fixed structures								
Machinery and equipment					1 528		1 528	1 528
Cultivated assets								
Software and other intangible assets			5 813				5 813	5 813
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>76 814</b>		<b>5 813</b>		<b>2 701</b>		<b>8 514</b>	<b>85 328</b>

**Programme 4: Financial Governance**

Table 4.1.4: Adjusted Estimates

		2017/18						
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					
Program Support	2 314				432		432	2 746
Accounting Services	19 181		3 000		399		3 399	22 580
Risk Management And Internal Audit Provin	7 559		2 423		94		2 517	10 076
<b>Total</b>	<b>29 054</b>		<b>5 423</b>		<b>925</b>		<b>6 348</b>	<b>35 402</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>29 030</b>		<b>5 423</b>		<b>905</b>		<b>6 328</b>	<b>35 358</b>
Compensation of employees	21 779				925		925	22 704
Goods and Services	7 251		5 423		(20)		5 403	12 654
Interest and rent on land								
<b>Transfers and subsidies to</b>								
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	<b>24</b>				<b>20</b>		<b>20</b>	<b>44</b>
Buildings and other fixed structures								
Machinery and equipment	24				20		20	44
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>29 054</b>		<b>5 423</b>		<b>925</b>		<b>6 348</b>	<b>35 402</b>

**Programme 5: Municipal Finance Management**

Table 4.1.5: Adjusted Estimates

2017/18								
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					
Program Support	1 911				250		250	2 161
Thabo Mafutsonyana District	6 452				1 156		1 156	7 608
Fezile Dabi District	5 591				(509)		(509)	5 082
Lejwelephutswa District	6 265				1 064		1 064	7 329
Xhariep District	5 798				(865)		(865)	4 933
Municipal Risk Management & Internal Audit	4 675				95		95	4 770
Municipal Support Program & Igr	33 018		337		(1 845)		(1 508)	31 510
<b>Total</b>	<b>63 710</b>		<b>337</b>		<b>(654)</b>		<b>(317)</b>	<b>63 393</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>58 710</b>		<b>337</b>		<b>(23 852)</b>		<b>(23 515)</b>	<b>35 195</b>
Compensation of employees	32 036				(1 535)		(1 535)	30 501
Goods and Services	26 674		337		(22 317)		(21 980)	4 694
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>5 000</b>				<b>23 040</b>		<b>23 040</b>	<b>28 040</b>
Provinces and municipalities	5 000				22 800		22 800	27 800
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households					240		240	240
<b>Payments for capital assets</b>					<b>158</b>		<b>158</b>	<b>158</b>
Buildings and other fixed structures								
Machinery and equipment					158		158	158
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>63 710</b>		<b>337</b>		<b>(654)</b>		<b>(317)</b>	<b>63 393</b>

## **Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017**

### **Special appropriation**

Not applicable

### **Roll-overs – [Twelve million five hundred and seventy six thousands: R12.576 million]**

#### **Programme 1: Administration**

**R0.238 million** has been rolled over for Revenue Enhancement Allocation to assist the department with ex-employee's debts recovery.

#### **Programme 3: Asset and Liabilities Management**

**R5.813 million** has been rolled over for Centralised Supplier Database.

#### **Programme 4: Financial Governance**

**R5.423 million** has been rolled over from 2016/17 financial year, of which R2.423 million is for Internal Audit and Risk Management software (Team Mate) and R3 million for provincial support programme.

#### **Programme 5: Municipal Finance Management**

**R0.337 million** has been rolled over for Municipal Support Programme to assist municipalities with MSCOA.

A total amount of **R0.765** has been allocated to equitable share as roll over.

### **Unforeseeable and unavoidable expenditure**

None applicable

### **Virements and shifts**

#### **Programme 1: Administration**

**R4.0 million** reprioritised from Compensation of Employees (CoE) to other programmes due to moratorium on vacancies, and the saving was used to cover shortfall related to CoE and transfers and subsidies of other programmes.

#### **Programme 2: Sustainable Resource Management**

**R1.0 million** was reprioritised from programme 1 to cover costs related to CoE following the annual increment of 7.3 percent which was more than projected as well as the payment for leave gratuity resulted from resignations not anticipated.

#### **Programme 3: Asset & Liability Management**

**R2.7 million** was reprioritised from programme 1 to cover costs related to CoE following the annual increment of 7.3 percent which was more than projected as well as the payment for leave gratuity which resulted from resignations not anticipated.

#### **Programme 4: Financial Governance**

**R0.925 million** was reprioritised from other programmes to cover costs related to compensation of employees following the annual increment of 7.3 percent which was more than projected as well as the payment for leave gratuity resulted from resignations not anticipated.

## Programme 5: Municipal Finance Management

**R0.654 million** was reprioritised to other programmes to cover costs related to CoE and transfers and subsidies following the annual increment of 7.3 percent which was more than projected increment percentage.

**R22.8 million** allocated as earmarked funds for MSP programme in Programme 5 under goods and services was shifted to municipalities within the programme.

### Details on virements and shifts

Table 4.2: Details on virements and shifts

Programmes			Programmes		
1. Administration		(5 460)			1 459
2. Sustainable Resource Management		(41)			1 070
3. Asset And Liabilities Management		280			2 421
4. Financial Governance		(20)			945
5. Municipal Finance Management		(23 852)			23 198
<b>FROM:</b>			<b>TO:</b>		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1</b>		<b>(5 460)</b>	<b>Programme 1</b>		<b>1 459</b>
Compensation of employees		(2 981)	Capital	Computer equipment	1 459
Goods & Services	Funds shifted payment procure computer equipment, leave gratuity in other programmes	(2 479)			
<b>Percentage of programme budget</b>		<b>-5%</b>	<b>Percentage of programme budget</b>		<b>1%</b>
<b>Programme 2</b>		<b>(41)</b>	<b>Programme 2</b>		<b>1 070</b>
Goods & Services	Funds shifted for computer equipment procured	(41)	Compensation of employees	Shortfall	854
			Capital	For computer equipment	45
			Transfers & Subsidies	Leave gratuity	171
<b>Percentage of programme budget</b>		<b>0%</b>	<b>Percentage of programme budget</b>		<b>3%</b>
<b>Programme 3</b>		<b>280</b>	<b>Programme 3</b>		<b>2 421</b>
Good and services	Funds shifted for computer equipment procured	280	Compensation of employees	Shortfall	843
			Capital	Computer equipment	1 528
			Transfers & Subsidies	Leave gratuity	50
<b>Percentage of programme budget</b>		<b>0%</b>	<b>Percentage of programme budget</b>		<b>3%</b>
<b>Programme 4</b>		<b>(20)</b>	<b>Programme 4</b>		<b>945</b>
Good and services	Funds shifted for computer equipment procured	(20)	Compensation of employees	Shortfall	925
			Capital	Computer equipment	20
<b>Percentage of programme budget</b>		<b>0%</b>	<b>Percentage of programme budget</b>		<b>3%</b>
<b>Programme 5</b>		<b>(23 852)</b>	<b>Programme 5</b>		<b>23 198</b>
Compensation of employees (Earmarked Funds)	Funds shifted to earmarked goods & services for training and voted funds compensation in other directorates	(1 535)	Transfers & Subsidies	Transfers for Municipalities	22 800
Good and services (Earmarked Funds)	Virement from allocated earmarked funds for MSP programme in Programme 5 under goods and services to Transfers for municipalities	(22 317)	Capital	Computer equipment	158
			Transfers & Subsidies	Leave gratuity	240
<b>Percentage of programme budget</b>		<b>-267%</b>	<b>Percentage of programme budget</b>		<b>275%</b>
<b>Total</b>		<b>(29 093)</b>			<b>29 093</b>

**Other adjustments include:**

**Shifts between votes:**

None applicable

**Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation:**

None applicable

**Use of funds in an emergency situation:**

None applicable

**Self-financing expenditure:**

None applicable

**Gifts, donations and sponsorship received (cash):**

None applicable

**Declared unspent funds: [zero million rands: R00.000 million]**

None Applicable

**Other adjustments – [zero million rands: R00.000 million]**

None Applicable

**Funds shifted between votes following a transfer of a function**

None Applicable

**Funds shifted within a vote following a transfer of a function/within a vote following function shift.**

None Applicable

**Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation**

None Applicable

**Use of funds in emergency situations**

None applicable

**Self-financing expenditure**

None applicable

**Gifts, donations and sponsorship – [zero million rands: R00.000 million]**

None applicable

**Direct charges against the Provincial Revenue Fund – [zero million rands: R00.000 million]**

None applicable

## Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Table 4.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Adjusted /Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	95 010	42 905	45.2%	90 073	94.8%	100 842	30.8%	44 471	44.1%
2. Sustainable Resource Management	39 660	19 051	48.0%	41 614	104.9%	42 925	13.1%	19 752	46.0%
3. Asset And Liabilities Management	106 489	46 563	43.7%	98 391	92.4%	85 328	26.0%	39 795	46.6%
4. Financial Governance	29 747	10 330	34.7%	21 807	73.3%	35 402	10.8%	14 620	41.3%
5. Municipal Finance Management	65 311	30 320	46.4%	64 479	98.7%	63 393	19.3%	39 216	61.9%
<b>Subtotal</b>	<b>336 217</b>	<b>149 169</b>	<b>44.4%</b>	<b>316 364</b>	<b>94.1%</b>	<b>327 890</b>	<b>100.0%</b>	<b>157 854</b>	<b>48.1%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>336 217</b>	<b>149 169</b>	<b>44.4%</b>	<b>316 364</b>	<b>94.1%</b>	<b>327 890</b>	<b>1</b>	<b>157 854</b>	<b>48.14%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>306 881</b>	<b>135 494</b>	<b>44.2%</b>	<b>263 327</b>	<b>85.8%</b>	<b>287 181</b>	<b>87.6%</b>	<b>131 123</b>	<b>45.66%</b>
Compensation of employees	190 518	94 388	49.5%	185 702	97.5%	203 590	62.1%	97 735	48.01%
Goods and services	116 363	41 106	35.3%	74 894	64.4%	83 591	25.5%	33 388	39.94%
Interest and rent on land				2 731					
<b>Transfers and subsidies</b>	<b>25 214</b>	<b>11 948</b>	<b>47.4%</b>	<b>25 793</b>	<b>102.3%</b>	<b>29 630</b>	<b>9.0%</b>	<b>23 178</b>	<b>78.22%</b>
Provinces and municipalities	24 750	11 750	47.5%	25 450	102.8%	27 800	8.5%	22 500	80.94%
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions						1 000	0.3%		
Households	464	198	42.7%	343	73.9%	830	0.3%	678	81.69%
<b>Payments for capital assets</b>	<b>4 122</b>	<b>1 726</b>	<b>41.9%</b>	<b>27 242</b>	<b>660.9%</b>	<b>11 079</b>	<b>3.4%</b>	<b>3 552</b>	<b>32.06%</b>
Buildings and other fixed structures	60		0.0%	60	100.0%		0.0%		0.00%
Machinery and equipment	4 062		0.0%	4 918	121.1%	5 266	1.6%	3 552	67.45%
Cultivated assets			0.0%				0.0%		0.00%
Software and other intangible assets		1 726	0.0%	22 264	0.0%	5 813	1.8%		0.00%
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>		<b>1</b>		<b>2</b>					
<b>Total</b>	<b>336 217</b>	<b>149 169</b>	<b>44.4%</b>	<b>316 364</b>	<b>94.1%</b>	<b>327 890</b>	<b>100.0%</b>	<b>157 854</b>	<b>48.14%</b>

## Expenditure trends for the first six months of the 2017/18

Underspensing largely contributed by expenditure for interns and other vacancies which were not filled as projected. The surplus funding will be reprioritised within compensation to programmes where additional funding is required. Additional funding on priorities such as software license, SITA funds utilised to pay rollover request of 2016/17.

**Economic classification:****Current payments**

The expenditure trend in the first six months of the 2017/18 financial year is 1 percent higher in comparison with the same period of the 2016/17 financial year. The under spending was due to none filling of vacant posts.

**Transfers and subsidies**

The transfer payments increased by 30 percent in the 2017/18 financial year in comparison with the same period for 2016/17 financial year, mainly due to the transfer payments to municipalities and leave gratuities.

**Payments for capital assets**

The expenditure on machinery and equipment is 9 percent lower in 2017/18 financial year in comparison with the same period in 2016/17, due to none filling of posts.

**Departmental receipts**

Table 4.4: Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Budget estimate	Adjusted estimate	Adjusted receipts estimate /Total (%)	Apr 2017 - Sep 2017	
		Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)				Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Departmental receipts</b>	20 440	15 660	76,61%	24 108	117,95%	11 087	11 087	100,00%	5 935	53,53%
Tax receipts										
Sales of goods and services other than capital receipts	119	61	51,26%	134	112,61%	126	126	1,14%	86	68,25%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	20 202	15 543	76,94%	23 745	117,54%	10 835	10 835	97,73%	5 782	53,36%
Sales of capital assets										
Financial transactions in assets and liabilities	119	56	47,06%	229	192,44%	126	126	1,14%	67	53,17%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	20 440	15 660	76,61%	24 108	117,95%	11 087	11 087	100,00%	5 935	53,53%

**Revenue trends for the first six months of 2017/18**

Due to the implementation of a system of bi-weekly disbursements, more funds were available for investment which generated a higher income on interest earned. The department collected R5.7 million as a result of this initiative. The investment will however decrease as spending increase in the final months of the financial year which will have the impact that lessor interest will be earned.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>1. Administration</b>									
<b>Transfers and Subsidies</b>									
<b>Voted fund</b>									
H/H: Donations & Gifts(Cash)									
<b>1. Administration</b>	<b>221</b>					<b>(221)</b>		<b>(221)</b>	
<b>Current</b>									
<b>Compensation of employees</b>									
Salaries & Wages	221					(221)		(221)	
<b>2. Sustainable Resource Management</b>						<b>171</b>		<b>171</b>	<b>171</b>
<b>Transfers and Subsidies</b>									
<b>Households</b>									
H/H Empl S/Ben: Leave Gratuity						171		171	171
<b>3. Asset And Liabilities Management</b>						<b>50</b>		<b>50</b>	<b>50</b>
<b>Transfers and Subsidies</b>									
<b>Households</b>									
H/H Empl S/Ben: Leave Gratuity						50		50	50
<b>5. Municipal Finance Management</b>	<b>240</b>					<b>(240)</b>		<b>(240)</b>	
<b>Current</b>									
<b>Compensation of employees</b>									
Salaries & Wages	240					(240)		(240)	
<b>5. Municipal Finance Management</b>						<b>240</b>		<b>240</b>	<b>240</b>
<b>Transfers and Subsidies</b>									
<b>Households</b>									
H/H Empl S/Ben: Leave Gratuity						240		240	240
<b>Total transfers and subsidies</b>	<b>461</b>								<b>461</b>

Table 4.6: Summary of changes to provincial earmarked funds

R thousand	2017/18							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation						
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>1. Administration</b>	1 000		238					1 238	
<b>Transfers and Subsidies</b>									
<b>Earmarked fund</b>									
NGO	1 000							1 000	
REA			238				238	238	
<b>4. Financial Governance</b>	6 000		5 423				5 423	11 423	
<b>Goods &amp; Services</b>									
<b>Earmarked fund</b>									
Financial Intervention	5 000		3 000				3 000	8 000	
SITA (Risk Software)	1 000		2 423				2 423	3 423	
<b>3. Asset And Liabilities Management</b>	16 596		5 813				5 813	22 409	
<b>Current</b>									
<b>Earmarked fund</b>									
Transversal Commitments	16 596							16 596	
Provincial Database			5 813				5 813	5 813	
<b>5. Municipal Finance Management</b>	23 111		337		(22 800)		(22 463)	648	
<b>Current</b>									
<b>Earmarked fund</b>									
Consultants and professional services:	23 111				(23 111)		(23 111)		
Business and advisory services									
Training & Development			337		311		648	648	
<b>5. Municipal Finance Management</b>	5 000				22 800		22 800	27 800	
<b>Transfers and Subsidies</b>									
<b>Earmarked fund</b>									
Provinces and municipalities	5 000				22 800		22 800	27 800	
<b>5. Municipal Finance Management</b>	1 889				(1 192)		(1 192)	697	
<b>Current</b>									
<b>Earmarked fund</b>									
Compensation of Employees	1 889				(1 192)		(1 192)	697	
<b>5. Municipal Finance Management</b>					1 192		1 192	1 192	
<b>Current</b>									
<b>Earmarked fund</b>									
Training and development					1 192		1 192	1 192	
<b>Total earmarked funds</b>	<b>53 596</b>		<b>11 811</b>				<b>11 573</b>	<b>65 407</b>	

Table 4.7: Aid assistance

		2017/18							
		Adjustment appropriation					Total adjustments	Adjusted	
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	appropriation	appropriation
<b>1. Administration</b>	<b>24</b>								<b>24</b>
<b>Aid Assistance funding - Not included in Voted funds</b>									
<b>Goods &amp; Services</b>									
Training and development ( FICA for the assistance of training and development for internships, learner-ships and for those officials within the department who obtained a qualification without assistance from the department)	24								24
<b>Total aid assistance</b>	<b>24</b>								<b>24</b>

### Revised Infrastructure project list

Not applicable to Department of Free State Provincial Treasury

**VOTE 5:  
DEPARTMENT OF HEALTH**

**Vote 5****Department of Health****Adjusted budget summary**

R thousand	2017/18			Decrease	Increase
	Main appropriation	Special appropriation	Adjusted appropriation		
<b>Total amount to be appropriated</b>	<b>9 774 916</b>		<b>9 736 916</b>	<b>( 38 000)</b>	
<b>of which economic classification:</b>					
Current payments	8 815 765		<b>8 704 132</b>	( 111 633)	
Transfers and subsidies	247 195		<b>267 221</b>	20 026	
Payments for capital assets	711 956		<b>765 563</b>	53 607	
Payments for financial assets					
<b>of which source of funding:</b>					
Equitable Share	6 526 880		<b>6 526 880</b>		
Conditional Grants	2 891 016		<b>2 891 016</b>		
Earmarked funds	177 606		<b>139 606</b>	( 38 000)	
Provincial Receipts	179 414		<b>179 414</b>		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>9 774 916</b>		<b>9 736 916</b>	<b>( 38 000)</b>	
<b>Amount not to be appropriated - Aid Assistance</b>			<b>1 575</b>		<b>1 575</b>
<b>Executive Authority</b>	<b>MEC for Health</b>				
<b>Accounting Officer</b>	<b>Head of Department: Health</b>				
<b>Website address</b>	<a href="http://www.fshealth.gov.za">www.fshealth.gov.za</a>				

**Vote Purpose**

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.

**Changes to programme purposes, objectives and measures**

Provincial Department of Health has not experience or changed any indicators during the 2017/2018 financial year.

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2017/18

Table 5.1(a): Adjusted Estimates

		2017/18						
Programme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable /unavoidable	Virements and shifts		
1. Administration		279 061				(15 000)	(15 000)	264 061
2. District Health Services		3 953 592				149 192	(30 000)	4 072 784
3. Emergency Medical Services		590 777				23 019		613 796
4. Provincial Hospital Services		1 493 220				(119 000)	(119 000)	1 374 220
5. Central Hospital Services		2 430 466				(68 211)	(68 211)	2 362 255
6. Health Science & Training		245 775				41 000	41 000	286 775
7. Health Care Support Services		186 315				(11 000)	(11 000)	175 315
8. Health Facilities Management		595 710					(8 000)	587 710
<b>Subtotal</b>		<b>9 774 916</b>				<b>(38 000)</b>	<b>(38 000)</b>	<b>9 736 916</b>
Direct charge against the Provincial Revenue Fund								
Item								
<b>Total</b>		<b>9 774 916</b>				<b>(38 000)</b>	<b>(38 000)</b>	<b>9 736 916</b>

## Economic classification

Table 5.1(b): Adjusted Estimates

Economic classification	R thousand	Main appropriation	Special appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds		
<b>Current payments</b>		8 815 765				(80 733)	(30 000)	(110 733)	8 705 032
Compensation of employees		6 381 379				(2 080)		(2 080)	6 379 299
Goods and Services		2 434 165				(78 682)	(30 000)	(108 682)	2 325 483
Interest and rent on land		221				29		29	250
<b>Transfers and subsidies to</b>		247 195				19 126		19 126	266 321
Provinces and municipalities									
Departmental agencies and accounts		59 087				( 900)		( 900)	58 187
Universities and technikons									
Public corporations and private enterprises		2 020							2 020
Foreign governments and international organisations									
Non-profit institutions		118 046							118 046
Households		68 042				20 026		20 026	88 068
<b>Payments for capital assets</b>		711 956				61 607	( 8 000)	53 607	765 563
Buildings and other fixed structures		454 433				2 259	(8 000)	(5 741)	448 692
Machinery and equipment		256 273				44 188		44 188	300 461
Cultivated assets									
Software and other intangible assets		1 250				15 160		15 160	16 410
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>		9 774 916					(38 000)	(38 000)	9 736 916

## Programme 1: Administration

Table 5.1.1: Adjusted Estimates

		2017/18						
Subprogramme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable /unavoidable	Virements unspent and shifts		
1. Office of the MEC		11 245				247	247	11 492
2. Corporate Services		267 816				( 15 247)	( 15 247)	252 569
<b>Total</b>		<b>279 061</b>				<b>( 15 000)</b>	<b>( 15 000)</b>	<b>264 061</b>
<b>Economic classification</b>								
<b>Current payments</b>		<b>273 710</b>				<b>( 14 462)</b>	<b>( 14 462)</b>	<b>259 248</b>
Compensation of employees		231 598				( 20 000)	( 20 000)	211 598
Goods and Services		42 011				5 537	5 537	47 548
Interest and rent on land		101				1	1	102
<b>Transfers and subsidies to</b>		<b>2 474</b>						<b>2 474</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises		2 000						2 000
Foreign governments and international organisations								
Non-profit institutions								
Households		474						474
<b>Payments for capital assets</b>		<b>2 877</b>				<b>( 538)</b>	<b>( 538)</b>	<b>2 339</b>
Buildings and other fixed structures								
Machinery and equipment		2 877				( 538)	( 538)	2 339
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>		<b>279 061</b>				<b>( 15 000)</b>	<b>( 15 000)</b>	<b>264 061</b>

## Programme 2: District Health Services

Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Unforeseeable Roll-overs	Virements and unavoidable	Declared unspent funds	Other adjustments			
R'thousand									
1. District Management	101 596			(9 446)			(9 446)	92 150	
2. Community Health Clinics	823 571			(3 318)	(30 000)		(33 318)	790 253	
3. Community Health Centre	143 608			(1 262)			(1 262)	142 346	
4. Community Based Services	368 066			(29 521)			(29 521)	338 545	
5. HIV/AIDS	1 178 824							1 178 824	
6. Nutrition	14 195			(45)			(45)	14 150	
7. Coroner Services	38 137							38 137	
8. District Hospitals	1 285 595			192 784			192 784	1 478 379	
<b>Total</b>	<b>3 953 592</b>			<b>149 192</b>	<b>(30 000)</b>		<b>119 192</b>	<b>4 072 784</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>3 779 028</b>			<b>138 870</b>	<b>(30 000)</b>		<b>108 870</b>	<b>3 887 898</b>	
Compensation of employees	2 573 897			161 920			161 920	2 735 817	
Goods and Services	1 205 022			(23 063)	(30 000)		(53 063)	1 151 959	
Interest and rent on land	109			13			13	122	
<b>Transfers and subsidies to</b>	<b>120 556</b>			<b>26</b>			<b>26</b>	<b>120 582</b>	
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises	20							20	
Foreign governments and international organisations									
Non-profit institutions	116 046							116 046	
Households	4 490			26			26	4 516	
<b>Payments for capital assets</b>	<b>54 008</b>			<b>10 296</b>			<b>10 296</b>	<b>64 304</b>	
Buildings and other fixed structures	15			2 259			2 259	2 274	
Machinery and equipment	52 793			(7 123)			(7 123)	45 670	
Cultivated assets									
Software and other intangible assets	1 200			15 160			15 160	16 360	
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>3 953 592</b>			<b>149 192</b>	<b>(30 000)</b>		<b>119 192</b>	<b>4 072 784</b>	

**Programme 3: Emergency Medical Services****Table 5.1.3: Adjusted Estimates**

Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand									
1. Emergency Transport	577 855				23 019			23 019	600 874
2. Planned Patient Transport	12 922								12 922
<b>Total</b>	<b>590 777</b>				<b>23 019</b>			<b>23 019</b>	<b>613 796</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>566 628</b>				<b>( 29 311)</b>			<b>( 29 311)</b>	<b>537 317</b>
Compensation of employees	407 104				10 000			10 000	417 104
Goods and Services	159 524				( 39 326)			( 39 326)	120 198
Interest and rent on land					15			15	15
<b>Transfers and subsidies to</b>	<b>534</b>								<b>534</b>
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	534								534
<b>Payments for capital assets</b>	<b>23 615</b>				<b>52 330</b>			<b>52 330</b>	<b>75 945</b>
Buildings and other fixed structures	1 250								1 250
Machinery and equipment	22 365				52 330			52 330	74 695
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>590 777</b>				<b>23 019</b>			<b>23 019</b>	<b>613 796</b>

## Programme 4: Provincial Hospital Services

**Table 5.1.4: Adjusted Estimates**

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. General Hospitals	1 143 832			( 119 000)			( 119 000)	1 024 832	
2. Psychiatric/Mental Hospital	349 388							349 388	
<b>Total</b>	<b>1 493 220</b>			<b>( 119 000)</b>			<b>( 119 000)</b>	<b>1 374 220</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 474 763</b>			<b>( 116 900)</b>			<b>( 116 900)</b>	<b>1 357 863</b>	
Compensation of employees	1 200 611			( 119 000)			( 119 000)	1 081 611	
Goods and Services	274 148			2 100			2 100	276 248	
Interest and rent on land	4							4	
<b>Transfers and subsidies to</b>	<b>5 158</b>							<b>5 158</b>	
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	2 000							2 000	
Households	3 158							3 158	
<b>Payments for capital assets</b>	<b>13 299</b>			<b>( 2 100)</b>			<b>( 2 100)</b>	<b>11 199</b>	
Buildings and other fixed structures									
Machinery and equipment	13 299			( 2 100)			( 2 100)	11 199	
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>1 493 220</b>			<b>( 119 000)</b>			<b>( 119 000)</b>	<b>1 374 220</b>	

## Programme 5: Central Hospital Services

Table 5.1.5: Adjusted Estimates

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. Central Hospital Services	1 546 747			( 25 220)		( 25 220)	1 521 527	
2. Public-Private Partnership	11 900						11 900	
3. Provincial Tertiary Hospital	871 819			( 42 991)		( 42 991)	828 828	
<b>Total</b>	<b>2 430 466</b>			<b>( 68 211)</b>		<b>( 68 211)</b>	<b>2 362 255</b>	
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 295 623</b>			<b>( 68 211)</b>		<b>( 68 211)</b>	<b>2 227 412</b>	
Compensation of employees	1 683 039			( 40 000)		( 40 000)	1 643 039	
Goods and Services	612 584			( 28 211)		( 28 211)	584 373	
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>8 153</b>						<b>8 153</b>	
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	8 153						8 153	
<b>Payments for capital assets</b>	<b>126 690</b>						<b>126 690</b>	
Buildings and other fixed structures								
Machinery and equipment	126 690						126 690	
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>2 430 466</b>			<b>( 68 211)</b>		<b>( 68 211)</b>	<b>2 362 255</b>	

## Programme 6: Health Sciences and Training

### Table 5.1.6: Adjusted Estimates

		2017/18							
Subprogramme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
				Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
1. Nurse Training Colleges		107 980							107 980
2. EMS Training Colleges		20 323							20 323
3. Primary Health Care Training		36 354			( 1 486)			( 1 486)	34 868
4. Training Other		81 118			42 486			42 486	123 604
<b>Total</b>		<b>245 775</b>			<b>41 000</b>			<b>41 000</b>	<b>286 775</b>
<b>Economic classification</b>									
<b>Current payments</b>		<b>173 475</b>			<b>21 890</b>			<b>21 890</b>	<b>195 365</b>
Compensation of employees		157 307			16 000			16 000	173 307
Goods and Services		16 162			5 890			5 890	22 052
Interest and rent on land		6							6
<b>Transfers and subsidies to</b>		<b>69 950</b>			<b>19 100</b>			<b>19 100</b>	<b>89 050</b>
Provinces and municipalities									
Departmental agencies and accounts		19 087			( 900)			( 900)	18 187
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		50 863			20 000			20 000	70 863
<b>Payments for capital assets</b>		<b>2 350</b>			<b>10</b>			<b>10</b>	<b>2 360</b>
Buildings and other fixed structures									
Machinery and equipment		2 350			10			10	2 360
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>		<b>245 775</b>			<b>41 000</b>			<b>41 000</b>	<b>286 775</b>

## Programme 7: Health Care Support Services

### Table 5.1.7: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
R'thousand								
1. Laundry Services	122 479				( 11 000)		( 11 000)	111 479
2. Orthotic and Prosthetic Services	23 836							23 836
3. Medicine (Medpas) Trading Account	40 000							40 000
<b>Total</b>	<b>186 315</b>				<b>( 11 000)</b>		<b>( 11 000)</b>	<b>175 315</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>140 641</b>				<b>( 5 953)</b>		<b>( 5 953)</b>	<b>134 688</b>
Compensation of employees	108 143				( 11 000)		( 11 000)	97 143
Goods and Services	32 497				5 047		5 047	37 544
Interest and rent on land	1							1
<b>Transfers and subsidies to</b>	<b>40 370</b>							<b>40 370</b>
Provinces and municipalities								
Departmental agencies and accounts	40 000							40 000
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	370							370
<b>Payments for capital assets</b>	<b>5 304</b>				<b>( 5 047)</b>		<b>( 5 047)</b>	<b>257</b>
Buildings and other fixed structures								
Machinery and equipment	5 304				( 5 047)		( 5 047)	257
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>186 315</b>				<b>( 11 000)</b>		<b>( 11 000)</b>	<b>175 315</b>

## Programme 8: Health Facilities Management

Table 5.1.8: Adjusted Estimates		2017/18							
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. Community Health Facilities	111 446				11 472			11 472	122 918
2. District Hospital Services	248 159				( 16 273)			( 16 273)	231 886
3. Provincial Hospital Services	127 130				12 083			12 083	139 213
4. Emergency Medical Rescue Services	17 822				( 16 032)			( 16 032)	1 790
5. Central Hospital Services	38 500				9 750			9 750	48 250
6. Other Facilities	52 653				( 1 000)	( 8 000)		( 9 000)	43 653
<b>Total</b>	<b>595 710</b>					<b>( 8 000)</b>		<b>( 8 000)</b>	<b>587 710</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>111 897</b>				<b>( 6 656)</b>			<b>( 6 656)</b>	<b>105 241</b>
Compensation of employees	19 680								19 680
Goods and Services	92 217				( 6 656)			( 6 656)	85 561
Interest and rent on land									
<b>Transfers and subsidies to</b>									
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
<b>Payments for capital assets</b>	<b>483 813</b>				<b>6 656</b>	<b>( 8 000)</b>		<b>( 1 344)</b>	<b>482 469</b>
Buildings and other fixed structures	453 168					( 8 000)		( 8 000)	445 168
Machinery and equipment	30 595				6 656			6 656	37 251
Cultivated assets									
Software and other intangible assets	50								50
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>595 710</b>					<b>( 8 000)</b>		<b>( 8 000)</b>	<b>587 710</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017****Roll-overs – R00.000**

There are no approved roll-overs for the department.

**Unforeseeable and unavoidable expenditure – R00.000**

The department does not incurred unforeseeable and unavoidable expenditure at this stage.

**Table 5.2: Details on virements and shifts**

Programmes		R'thousand	Programmes		R'thousand
1. Administration		( 15 000)	1. Administration		
2. District Health Services			2. District Health Services		149 192
3. Emergency Medical Services			3. Emergency Medical Services		23 019
4. Provincial Hospital Services		( 119 000)	4. Provincial Hospital Services		
5. Central Hospital Services		( 68 211)	5. Central Hospital Services		
6. Health Science & Training			6. Health Science & Training		41 000
7. Health Care Support Services		( 11 000)	7. Health Care Support Services		
8. Health Facilities Management			8. Health Facilities Management		
<b>Total</b>		<b>( 213 211)</b>			<b>213 211</b>

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1</b>		<b>( 20 538)</b>	<b>Programme 1</b>		<b>5 538</b>
Compensation of Employees	Under spending due to vacant posts. Saving used to defray over expenditure.	( 20 000)	Goods and Services	To lessen the impact of audit costs.	5 537
Machinery and equipment	Delay in procuring machinery. Virement to defray over expenditure in goods.	( 538)	Interest and Rent on land		1
<b>Percentage of programme budget</b>		<b>7.4%</b>			
<b>Programme 2</b>		<b>( 30 186)</b>	<b>Programme 2</b>		<b>179 378</b>
Goods and Services	Includes reallocation of Inter-facility patient transport budget to prog 3.	( 23 063)	Compensation of Employees	Aligning Hiv/aids conditional grant budget to business plan.	2 920
			Interest and Rent on land		13
			Non Profit Institutions		
			Household		26
			Building & Other Fix Structure		2 259
Machinery and Equipment		( 7 123)	Software & Intangible Assets	Software licences.	15 160
			Compensation of Employees	Funds shifted in order to lessen over expenditure on Hospitals' Compensation of employees.	159 000
<b>Percentage of programme budget</b>		<b>0.8%</b>			

Table 5.2: Details on virements and shifts

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 3</b>		<b>( 39 326)</b>	<b>Programme 3</b>		<b>62 345</b>
Goods and Services	Reallocated for aero medical services.	( 39 326)	Interest and Rent on land		15
			Machinery and equipment	Leases for aero medical services.	52 330
			Compensation of Employees	Funds shifted in order to lessen over expenditure on Compensation of employees.	10 000
<b>Percentage of programme budget</b>		<b>6.7%</b>			
<b>Programme 4</b>		<b>( 121 100)</b>	<b>Programme 4</b>		<b>2 100</b>
Compensation of Employees	Funds shifted in order	( 119 000)			
Machinery and Equipment	Delay in procuring	( 2 100)	Goods and Services		2 100
<b>Percentage of programme budget</b>		<b>8.1%</b>			
<b>Programme 5</b>		<b>( 68 211)</b>	<b>Programme 5</b>		
Compensation of Employees	Funds shifted in order to defray over expenditure in programme 2.	( 40 000)			
Goods and Services	Reprioritised budget for international students.	( 28 211)			
<b>Percentage of programme budget</b>		<b>8.0%</b>			
<b>Programme 6</b>		<b>( 900)</b>	<b>Programme 6</b>		<b>41 900</b>
Departmental agencies & accounts	Under spending on SETA payment.	( 900)	Compensation of Employees	Funds to augment the budget for Learnerships.	16 000
			Goods and Services	International students'	5 890
			Household	International students'	20 000
			Software & Intangible Assets		10
<b>Percentage of programme budget</b>		<b>0.0%</b>			
<b>Programme 7</b>		<b>( 16 047)</b>	<b>Programme 7</b>		<b>5 047</b>
Compensation of Employees	Under expenditure	( 11 000)			
Machinery and Equipment	Delay in procuring machinery. Virement to defray over	( 5 047)	Goods and Services		5 047
<b>Percentage of programme budget</b>		<b>5.9%</b>			
<b>Programme 8</b>		<b>( 6 656)</b>	<b>Programme 8</b>		<b>6 656</b>
Goods and Services	Reprioritisation of	( 6 656)	Machinery and Equipment	Reprioritisation of budget	6 656
<b>Percentage of programme budget</b>		<b>1.1%</b>			
<b>Total</b>		<b>( 302 964)</b>			<b>302 964</b>

### Declared unspent funds – R38.000 million

**R30.000 million** was declared unspent from the earmarked allocation in relation to the mobile clinics programme in the Community Health Clinics sub-programme.

**R8.0 million** was declared unspent from the earmarked allocation in relation to the Infrastructure Enhancement allocation in the Other Facilities sub-programme.

**Other adjustments**

**Funds shifted between votes following a transfer of a function**

No functions were transferred to or from the Department of Health.

**Funds shifted within a vote following a transfer of a function/within a vote following function shift.**

There were no function shifts within the Department of Health.

**Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation**

There was no additional allocation made to the earmarked funding in the Department of Health.

**Adjustment due to significant and unforeseeable economic and financial events**

No funds were allocated to the department of Health due to significant unforeseeable economic and financial events.

**Use of funds in emergency situations**

No funds were allocated to the Department of Health for emergency situations.

**Self-financing expenditure**

Not applicable to the Department of Health.

**Gifts, donations and sponsorship**

The department will not make any donations, provide gifts nor sponsorships.

**Direct charges against the Provincial Revenue Fund**

No direct charges will be made against the budget of the Department of Health.

**Expenditure outcome for 2016/17 and actual expenditure for 2017/18**

Table 5.3: Expenditure trends

R thousand	2016/17				2017/18			
	Audited outcome				Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	Apr 2016 - Sep 2016 (% of adjusted appropriation)	Apr 2016 - Mar 2017	Apr 2016 - Mar 2017 (% of adjusted appropriation)	Adjusted appropriation /Total (%)	Apr 2017 - Sep 2017	Apr 2017 - Sep 2017 (% of adjusted appropriation)
<b>Programmes</b>								
1. Administration	270 731	150 550	55,6%	289 874	107,1%	2,7%	150 619	57,0%
2. District Health Services	3 763 555	1 884 740	50,1%	3 985 602	105,9%	41,8%	2 124 774	52,2%
3. Emergency Medical Services	562 587	256 573	45,6%	564 230	100,3%	6,3%	366 366	59,7%
4. Provincial Hospital Services	1 308 191	607 537	46,4%	1 193 629	91,2%	14,1%	641 089	46,7%
5. Central Hospital Services	2 236 597	1 057 353	47,3%	2 175 154	97,3%	24,3%	1 116 348	47,3%
6. Health Science & Training	191 078	81 354	42,6%	193 192	101,1%	2,9%	176 758	61,6%
7. Health Care Support Services	171 916	97 621	56,8%	151 864	88,3%	1,8%	97 102	55,4%
8. Health Facilities Management	537 450	252 217	46,9%	523 310	97,4%	6,0%	211 336	36,0%
<b>Subtotal</b>	<b>9 042 105</b>	<b>4 387 945</b>	<b>48,5%</b>	<b>9 076 855</b>	<b>100,4%</b>	<b>100,0%</b>	<b>4 884 392</b>	<b>50,2%</b>
<b>Economic Classification</b>								
<b>Current payments</b>	<b>8 214 079</b>	<b>3 999 678</b>	<b>48,7%</b>	<b>8 171 743</b>	<b>99,5%</b>	<b>89,4%</b>	<b>4 423 428</b>	<b>50,8%</b>
Compensation of employees	5 836 571	2 908 466	49,8%	5 814 798	99,6%	65,5%	3 160 620	49,5%
Goods and services	2 376 778	1 090 772	45,9%	2 356 284	99,1%	23,9%	1 262 085	54,3%
Interest and rent on land	730	440	60,3%	661	90,5%	0,0%	723	289,2%
<b>Transfers and subsidies</b>	<b>156 027</b>	<b>104 526</b>	<b>67,0%</b>	<b>190 714</b>	<b>122,2%</b>	<b>2,7%</b>	<b>170 378</b>	<b>64,0%</b>
Provinces and municipalities		( 3)	0,0%		0,0%	0,0%	989	0,0%
Departmental agencies and accounts	57 639	40 264	69,9%	58 100	100,8%	0,6%	58 187	100,0%
Universities and technikons								
Public corporations and private enterprises	10 000	22 865	228,7%	45 377	453,8%	0,0%	13 839	685,1%
Foreign governments and international organisations			0,0%		0,0%	0,0%		0,0%
Non-profit institutions	61 302	24 779	40,4%	55 877	91,2%	1,2%	29 411	24,9%
Households	27 086	16 621	61,4%	31 360	115,8%	0,9%	67 952	77,2%
<b>Payments for capital assets</b>	<b>671 999</b>	<b>283 741</b>	<b>42,2%</b>	<b>714 398</b>	<b>106,3%</b>	<b>7,9%</b>	<b>290 586</b>	<b>38,0%</b>
Buildings and other fixed structures	405 177	216 154	53,3%	459 211	113,3%	4,6%	165 751	36,9%
Machinery and equipment	266 797	67 565	25,3%	255 165	95,6%	3,1%	121 558	40,5%
Cultivated assets			0,0%		0,0%	0,0%		0,0%
Software and other intangible assets	25	22	88,0%	22	88,0%	0,2%	3 277	20,0%
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>		<b>0,0%</b>		<b>0,0%</b>		<b>0,0%</b>		<b>0,0%</b>
<b>Total</b>	<b>9 042 105</b>	<b>4 387 945</b>	<b>48,5%</b>	<b>9 076 855</b>	<b>100,4%</b>	<b>100,0%</b>	<b>4 884 392</b>	<b>50,2%</b>

**Expenditure trends for the first half of the 2017/18**

Expenditure for first six months of 2017/2018 amounted to R 4.8 million or 50 percent of the adjusted appropriation of R 9.774 billion.

The slight decrease on compensation of employees is as a result of pay progression payments that were outstanding, great strides have made to ensure that all qualifying employees are paid.

The increase in goods and services expenditure as compared to the previous financial year is due to payment of accruals emanating from 2016/17 financial year.

The increase in interest and rent on land is due to payments of overdue accounts.

The decrease in transfers and subsidies is caused by low expenditure in NPI. It was initially anticipated that there will be an increase in stipends for community health workers. However, this has not materialized and discussions are still underway in this regard. Furthermore there is an

increase in public corporations and private enterprises due to payment of legal claims that did not have budget allocation.

The decrease in expenditure on capital is due delay in implementing of infrastructure projects by the implementing agent. The projects have since been returned back to the department for implementation.

Table 5.4 Departmental receipts

R thousand	Audited outcome					Actual expenditure				
	Adjusted estimate	Apr 2016 - Sep 2016 (% of adjusted appropriation)		Apr 2016 - Mar 2017 (% of adjusted appropriation)		Budget estimate	Adjusted estimate	Adjusted receipts estimate / Total (%)	Apr 2017 - Sep 2017 (% of adjusted appropriation)	
		Apr 2016 - Sep 2016		Apr 2016 - Mar 2017					Apr 2017 - Sep 2017	
<b>Departmental receipts</b>	178 974	52 300	29,2%	124 928	69,8%	178 877	178 877	0,0%	83 052	46,4%
Tax receipts			0,0%		0,0%			0,0%		0,0%
Sales of goods and services other than Transfers received	161 909	46 411	28,7%	113 789	70,3%	171 785	171 785	0,0%	79 085	46,0%
Fines, penalties and forfeits			0,0%	5	0,0%			0,0%		0,0%
Interest, dividends and rent on land	303	394	130,0%	703	232,0%	321	321	0,0%	293	91,3%
Sales of capital assets	1 382	3 107	224,8%	4 717	341,3%	1 466	1 466	0,0%		0,0%
Financial transactions in assets and liabilities	15 380	2 388	15,5%	5 714	37,2%	5 305	5 305	0,0%	3 674	69,3%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>			0,0%		0,0%			0,0%		0,0%
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	178 974	52 300	29,2%	124 928	69,8%	178 877	178 877	0,0%	83 052	46,4%

### Revenue trends for the first six months of 2017/18

The following are the reasons for variances in revenue trends:

- The department has received **R20.000 million** in July 2017 from Government of Lesotho for an outstanding invoice of 2016/2017.
- The Free State University has paid **R15.000 million** in August 2017 for an invoice of 2016/2017.
- The 2017/2018 invoice for UFS has not been settled.
- Both Academic Hospitals (Universitas and Pelonomi) were invoicing the Government of Lesotho for new accounts of 2017/2018 financial year on monthly basis, and no payments have been received. Currently, the Government of Lesotho has a total outstanding invoice of **R64.895 million** for the first and second quarter financial year.
- Department of Justice has not paid the Department of Health an outstanding debt of **R4.494 million** (April –August 2017).
- Road Accident Fund indicated that they have not yet been allocated the fuel levy and as such, that impacts on paying the claims from the Department of Health.

## Changes to transfers and subsidies, including conditional grants

Table 5.5 Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
			Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>1. Administration</b>	<b>2 474</b>						<b>2 474</b>	
<b>Economic sphere</b>								
<b>Current</b>								
PUBLIC CORPORATIONS&PRIV ENT								
CLAIMS AGAINST STATE PRIV ENT	2 000						2 000	
HOUSEHOLDS (HH)								
H/H EMPL S/BEN:INJURY ON DUTY	96						96	
H/H EMPL S/BEN:LEAVE GRATUITY	378						378	
<b>2. District Health Services</b>	<b>120 556</b>			<b>26</b>		<b>26</b>	<b>120 582</b>	
<b>Economic sphere</b>								
<b>Current</b>								
PUBLIC CORPORATIONS&PRIV ENT								
CLAIMS AGAINST STATE PRIV ENT	20						20	
NON PROFIT INSTITUTIONS (NPI)								
NPI: HOME BASE CARE SERVICES	116 046						116 046	
HOUSEHOLDS (HH)								
H/H EMPL S/BEN:INJURY ON DUTY	83						83	
H/H EMPL S/BEN:LEAVE GRATUITY	4 314			26		26	4 340	
H/H EMPL S/BEN:PST RETIRMT BENEF	93						93	
<b>3. Emergency Medical Services</b>	<b>534</b>						<b>534</b>	
<b>Economic sphere</b>								
<b>Current</b>								
HOUSEHOLDS (HH)								
H/H EMPL S/BEN:LEAVE GRATUITY	534						534	
<b>4. Provincial Hospital Services</b>	<b>5 158</b>						<b>5 158</b>	
<b>Economic sphere</b>								
<b>Current</b>								
NON PROFIT INSTITUTIONS (NPI)								
NPI:PSYCHIATRIC STEPDOWN SERV(S)	2 000						2 000	
HOUSEHOLDS (HH)								
H/H EMPL S/BEN:LEAVE GRATUITY	3 158						3 158	
<b>Total</b>								

Cont...

		2017/18							
		Adjustment appropriation					Total	Adjusted	
R thousand	Main appropriation	Special appropriation	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation	
<b>5. Central Hospital Services</b>	<b>8 153</b>							<b>8 153</b>	
<b>Economic sphere</b>									
<b>Current</b>									
HOUSEHOLDS (HH)									
H/H EMPL S/BEN:LEAVE	5 653							5 653	
GRATUITY									
H/H EMPL S/BEN:PST RETIRMT	2 500							2 500	
BENEF									
<b>6. Health Science &amp; Training</b>	<b>69 950</b>			<b>19 100</b>			<b>19 100</b>	<b>89 050</b>	
<b>Economic sphere</b>									
<b>Current</b>									
DEPARTMENTAL AGENCIES & ACCOUNTS									
HEALTH & WELFARE SETA	19 087			( 900)			( 900)	18 187	
HOUSEHOLDS (HH)									
H/H EMPL S/BEN:LEAVE	595							595	
GRATUITY									
H/H:BURSARIES(NON-EMPLOYEE)	50 268			20 000			20 000	70 268	
<b>7. Health Care Support Services</b>	<b>40 370</b>							<b>40 370</b>	
<b>Economic sphere</b>									
<b>Current</b>									
DEPARTMENTAL AGENCIES & ACCOUNTS									
DEPT AGENCY:CLAIMS AGAINST STATE	40 000							40 000	
HOUSEHOLDS (HH)									
H/H EMPL S/BEN:LEAVE	370							370	
GRATUITY									
<b>Total transfers and subsidies</b>	<b>247 195</b>			<b>19 126</b>			<b>19 126</b>	<b>266 321</b>	

Table 5.6(a) Summary of changes to conditional grants

R thousand	2017/18						Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Special appropriation	Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Declared unspent funds		
<b>2. District Health Services</b>	<b>1 152 861</b>							<b>1 152 861</b>
<b>COMPREHENSIVE HIV &amp; AIDS GRANT</b>	<b>1 148 408</b>							<b>1 148 408</b>
<b>Current</b>								
<b>COMPENSATION OF EMPLOYEES</b>	<b>364 212</b>				<b>2 920</b>		<b>2 920</b>	<b>367 132</b>
SALARIES AND WAGES	309 425				2 880		2 880	312 305
SOCIAL CONTRIBUTIONS	54 787				40		40	54 827
<b>GOODS AND SERVICES</b>	<b>660 245</b>				<b>( 125)</b>		<b>( 125)</b>	<b>660 120</b>
ADMINISTRATIVE FEES: PAYMENTS	4				575		575	579
ADVERTISING	7 103				(4 320)		(4 320)	2 783
AGENCY&SUPRT/OUTSOURCED SERV	54 908				(3 427)		(3 427)	51 481
CATERING:DEPARTML ACTIVITIES	2 530				3 313		3 313	5 843
COMMUNICATION	110				99		99	209
COMPUTER SERVICES	2 920				(1 100)		(1 100)	1 820
CONS SUPPLIES	4 839				(4 598)		(4 598)	241
CONS:STA,PRINT&OFF SUP	13 191				(1 619)		(1 619)	11 572
CONSULT:BUSINESS&ADVISORY SERV					4 083		4 083	4 083
CONTRACTORS					1 697		1 697	1 697
FLEET SERVICES(F/SER)	2 934				( 353)		( 353)	2 581
INV: MEDICINE	350 253				( 528)		( 528)	349 725
INV:CLOTH MAT&ACCESSORIES	1 326				321		321	1 647
INV:FOOD & FOOD SUPPLIES	7 290							7 290
INV:MATERIALS & SUPPLIES					50		50	50
INV:MEDICAL SUPPLIES	41 827				( 29)		( 29)	41 798
INV:OTHER SUPPLIES					600		600	600
LABORATORY SERVICES	137 459				10 623		10 623	148 082
MINOR ASSETS	1 675				155		155	1 830
OPERATING LEASES	800				( 581)		( 581)	219
OPERATING PAYMENTS	2 000				380		380	2 380
PROPERTY PAYMENTS	1 000				(1 000)		(1 000)	
RENTAL & HIRING	180							180
TRAINING & DEVELOPMENT	10 128				(4 980)		(4 980)	5 148
TRAVEL AND SUBSISTENCE	16 768				(3 349)		(3 349)	13 419
VENUES AND FACILITIES	1 000				3 863		3 863	4 863
<b>INTEREST AND RENT ON LAND</b>	<b>26</b>				<b>( 26)</b>		<b>( 26)</b>	
INTEREST	26				( 26)		( 26)	
<b>NON PROFIT INSTITUTIONS (NPI)</b>	<b>111 847</b>							<b>111 847</b>
NPI:OTH NON PROFIT INSTITUTIONS	111 847							111 847
<b>HOUSEHOLDS (HH)</b>	<b>402</b>				<b>26</b>		<b>26</b>	<b>428</b>
H/H:EMPLOYEE SOCIAL BENEFITS	402				26		26	428
<b>Capital</b>								
<b>MACHINERY AND EQUIPMENT</b>	<b>11 676</b>				<b>(2 795)</b>		<b>(2 795)</b>	<b>8 881</b>
OTHER MACHINERY & EQUIPMENT	8 676				205		205	8 881
TRANSPORT EQUIPMENT	3 000				(3 000)		(3 000)	

2017/18									
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
<b>2. District Health Services</b>	<b>1 152 861</b>								<b>1 152 861</b>
<b>SOC SEC EPWP INCEN GRNT FOR PROV</b>	<b>4 453</b>								<b>4 453</b>
<b>Current</b>									
<b>GOODS AND SERVICES</b>	<b>254</b>								<b>254</b>
CONS:STA,PRINT&OFF SUP	254								254
<b>NON PROFIT INSTITUTIONS (NPI)</b>	<b>4 199</b>								<b>4 199</b>
NPI:OTH NON PROFIT INSTITUTIONS	4 199								4 199
<b>5. Central Hospital Services</b>	<b>1 183 998</b>								<b>1 183 998</b>
<b>HEALTH PROF TRAINING&amp;DEV GRANT</b>	<b>165 973</b>								<b>165 973</b>
<b>Current</b>									
<b>COMPENSATION OF EMPLOYEES</b>	<b>124 773</b>								<b>124 773</b>
SALARIES AND WAGES	108 709								108 709
SOCIAL CONTRIBUTIONS	16 064								16 064
<b>GOODS AND SERVICES</b>	<b>22 200</b>								<b>22 200</b>
COMMUNICATION									
CONS SUPPLIES									
INV:MEDICAL SUPPLIES	7 200								7 200
LABORATORY SERVICES	15 000								15 000
TRAVEL AND SUBSISTENCE									
<b>Capital</b>									
<b>MACHINERY AND EQUIPMENT</b>	<b>19 000</b>								<b>19 000</b>
OTHER MACHINERY & EQUIPMENT	19 000								19 000
<b>NATIONAL TERTIARY SERVICES GRANT</b>	<b>1 018 025</b>								<b>1 018 025</b>
<b>Current</b>									
<b>COMPENSATION OF EMPLOYEES</b>	<b>509 800</b>								<b>509 800</b>
SALARIES AND WAGES	443 482								443 482
SOCIAL CONTRIBUTIONS	66 318								66 318
<b>GOODS AND SERVICES</b>	<b>401 790</b>								<b>401 790</b>
AGENCY&SUPRT/OUTSOURCED SERV	3 000								3 000
COMMUNICATION									
CONS SUPPLIES	3 000								3 000
CONS:STA,PRINT&OFF SUP									
CONTRACTORS	52 098				6 365			6 365	58 463
INV: MEDICINE	102 020				( 4)			( 4)	102 016
INV:CHEMS,FUEL,OIL,GAS,WOOD&COA	4 500				( 4 499)			( 4 499)	1
INV:FOOD & FOOD SUPPLIES					2 500			2 500	2 500
INV:MEDICAL SUPPLIES	201 172				( 2 364)			( 2 364)	198 808
INV:OTHER SUPPLIES					3 002			3 002	3 002
LABORATORY SERVICES	35 000				( 5 000)			( 5 000)	30 000
MINOR ASSETS	1 000								1 000
TRAVEL AND SUBSISTENCE									
<b>HOUSEHOLDS (HH)</b>	<b>5 313</b>								<b>5 313</b>
H/H:EMPLOYEE SOCIAL BENEFITS	5 313								5 313
<b>Capital</b>									
<b>MACHINERY AND EQUIPMENT</b>	<b>101 122</b>								<b>101 122</b>
OTHER MACHINERY & EQUIPMENT	101 122								101 122
<b>8. Health Facilities Management</b>	<b>554 157</b>								<b>554 157</b>

		2017/18								
		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	
<b>8. Health Facilities Management</b>	<b>554 157</b>								<b>554 157</b>	
<b>EPWP INTERGRATED GRANT FOR PROV</b>	<b>2 000</b>								<b>2 000</b>	
<b>Current</b>										
<b>COMPENSATION OF EMPLOYEES</b>	<b>1 680</b>								<b>1 680</b>	
SALARIES AND WAGES	1 680								1 680	
<b>GOODS AND SERVICES</b>	<b>320</b>								<b>320</b>	
CONS SUPPLIES						320		320	320	
OPERATING PAYMENTS	320					( 320)		( 320)		
<b>HEALTH FACILITY REVIT GRANT</b>	<b>552 157</b>								<b>552 157</b>	
<b>Current</b>										
<b>COMPENSATION OF EMPLOYEES</b>	<b>18 000</b>								<b>18 000</b>	
SALARIES AND WAGES	16 695								16 695	
SOCIAL CONTRIBUTIONS	1 305								1 305	
<b>GOODS AND SERVICES</b>	<b>62 344</b>					<b>(6 656)</b>		<b>(6 656)</b>	<b>55 688</b>	
ADMINISTRATIVE FEES: PAYMENTS	40								40	
ADVERTISING	860					( 100)		( 100)	760	
CATERING:DEPARTML ACTIVITIES						10		10	10	
COMMUNICATION	40								40	
COMPUTER SERVICES	1 000					( 534)		( 534)	466	
CONS SUPPLIES						1		1	1	
CONS:STA,PRINT&OFF SUP	310					106		106	416	
CONTRACTORS	30								30	
INV:MATERIALS & SUPPLIES	2 027					( 124)		( 124)	1 903	
INV:MEDICAL SUPPLIES						124		124	124	
INV:OTHER SUPPLIES						480		480	480	
MINOR ASSETS	15 112					(6 746)		(6 746)	8 366	
OPERATING PAYMENTS	675								675	
PROPERTY PAYMENTS	41 330					137		137	41 467	
TRAINING & DEVELOPMENT						60		60	60	
TRAVEL AND SUBSISTENCE	920					( 70)		( 70)	850	
<b>Capital</b>										
<b>BUILDINGS &amp; OTHER FIX STRUCT</b>	<b>445 168</b>								<b>445 168</b>	
BUILDINGS	445 168								445 168	
<b>MACHINERY AND EQUIPMENT</b>	<b>26 595</b>					<b>6 656</b>		<b>6 656</b>	<b>33 251</b>	
OTHER MACHINERY & EQUIPMENT	26 595					6 656		6 656	33 251	
<b>SOFTWARE &amp; INTANGIBLE ASSETS</b>	<b>50</b>								<b>50</b>	
SOFTW & OTHER INTANGIBLE ASSETS	50								50	
<b>Total Provincial Conditional grants</b>	<b>2 891 016</b>								<b>2 891 016</b>	

2017/18								
R thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds		
<b>2. District Health Services</b>	<b>53 400</b>							<b>53 400</b>
<b>Economic sphere</b>								
<b>Current</b>								
MOBILE CLINICS								
CONSULT.BUSINESS&ADV ISORY SERV	53 400							53 400
<b>6. Health Sciences &amp; Training</b>	<b>50 268</b>							<b>50 268</b>
<b>Economic sphere</b>								
<b>Current</b>								
BURSARIES OF CUBAN DOCTERS								
H/H:OTHER TRANSFERS(CASH)	50 268							50 268
<b>7. Health Care Support Services</b>	<b>40 000</b>							<b>40 000</b>
<b>Economic sphere</b>								
<b>Current</b>								
MEDICAL DEPOT								
TRNSF&SUB:DEPARTMENT AL AGENCIES	40 000							40 000
<b>8. Health Facilities Management</b>	<b>33 938</b>							<b>33 938</b>
<b>Economic sphere</b>								
<b>Current</b>								
INFRASTRUCTURE ENHANCEMENT ALLOC								
COMPUTER SERVICES					102		102	102
MINOR ASSETS	3 000				( 102)		( 102)	2 898
PROPERTY PAYMENTS	8 938							8 938
<b>Capital</b>								
BUILDINGS	8 000							8 000
OTHER MACHINERY & EQUIPMENT	4 000							4 000
<b>Current</b>								
REPAIR AND MAINTE MEDICAL GAS EQ								
PROPERTY PAYMENTS	10 000							10 000
<b>Total earmarked funds</b>	<b>177 606</b>							<b>177 606</b>

## Revised Infrastructure project list

Table 5.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>1. New infrastructure assets (R thousand)</b>															
1	Amelia CHC	Comm. Health Center	Fezile Dabi	Metsimaholo	Clocolan	HFRG	Individual Project	01 August 2014	15 January 2016	8	89 424	1 000		( 1 000)	
2	Bophelong Clinic	Clinic	Fezile Dabi Thabo	Moqhaka		HFRG	Individual Project	01 April 2016	31 March 2019	8	19 120	3 000		( 3 000)	
3	Vogelfontein	Clinic	Mofutsanyane	Ditlabeng	Bethlehem	HFRG	Individual Project	01 April 2016	31 March 2017	8		10 000			10 000
5	Rheederspark Clinic	Clinic	Lejweleputswa	Matjhabeng	Welkom	HFRG	Individual Project	01 April 2017	31 March 2020	8	13 340	10 128		( 10 128)	
6	Riebeekstad/Thandanani Clinic	Clinic	Lejweleputswa	Matjhabeng	Welkom	HFRG	Individual Project	01 April 2016	31 March 2019	8		10 000		( 10 000)	
7	Phahameng Clinic	Clinic	Fezile Dabi	Ngwathe		HFRG	Individual Project	01 April 2018	31 March 2021	8	22 357				
8	Bolata Clinic	Clinic	Thabo Mofutsanyane	Maloti-a-Phofung	Phuthadijhaba	HFRG	Individual Project	20 April 2011	05 March 2015	8	23 130	820			820
9	Intabazwe Clinic	Clinic	Thabo Mofutsanyane	Maloti-a-Phofung	Harrismith	HFRG	Individual Project	01 April 2017	31 March 2020	8	30 260	8 000		( 8 000)	
10	EMS Station: Edenville	EMS Station	Fezile Dabi	Ngwathe	Edenville	HFRG	Individual Project	01 April 2017	31 March 2018	8	4 410	3 616		( 3 616)	
11	EMS Station: Villiers	EMS Station	Fezile Dabi	Mafube	Villiers	HFRG	Individual Project	01 April 2017	31 March 2018	8	4 410	4 410		( 4 410)	
12	EMS Station: Ventersburg	EMS Station	Lejweleputswa	Matjhabeng	Ventersburg	HFRG	Individual Project	01 April 2019	31 March 2020	8	4 410				
13	EMS Station: Warden	EMS Station	Thabo Mofutsanyane	Phumelela	Warden	HFRG	Individual Project	01 April 2018	31 March 2019	8	5 796				
14	EMS Station: Qwa-Qwa (Manapo Hospital)	EMS Station	Thabo Mofutsanyane	Maloti a Phofung	Phuthadijhaba	HFRG	Individual Project	01 April 2017	31 March 2018	8	5 796	5 796		( 5 796)	
15	Albert Nzula District Hospital	District Hospital	Xhariep	Kopanong	Trompsburg	HFRG	Individual Project	14 October 2010	31 March 2016	8	329 465	5 500			5 500
16	Free State Psychiatric Complex (Mental Health)	Specialised Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2017	31 March 2024	8	874 094	1 000		( 1 000)	
17	Welkom Mortuary	Mortuary	Lejweleputswa	Matjhabeng	Welkom	HFRG	Individual Project	01 April 2017	31 March 2020	8	12 006	2 161			2 161
18	Xhariep Dist Offices	Offices	Xhariep	Moqhaka Municipality	Trompsburg	IEA	Individual Project	01 April 2017	31 March 2021	8	8 000	5 000		( 5 000)	
<b>Total new infrastructure assets</b>												<b>70 431</b>		<b>( 51 950)</b>	<b>18 481</b>

Table 5.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>2. Maintenance and repair (R thousand)</b>															
1	General Maintenance of Clinics and CHSs	Clinics and CHCs	Various Municipalities	Various Municipalities	Various Towns	IEA	Packaged Programme	01 April 2017	31 March 2018	8		8 938			8 938
2	Maintenance District Hospitals Mangaung Metro	District Hospital	Motheo	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8		4 396	3 210		7 606
3	Maintenance District Hospitals Fezile Dabi District	District Hospital	Fezile Dabi	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8		5 296			5 296
4	Maintenance District Hospitals Lejweleputswa District	District Hospital	Lejweleputswa Thabo	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8		4 946			4 946
5	Maintenance District Hospitals Thabo Mofutsanyane	District Hospital	Mofutsanyane	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8		6 296			6 296
6	Maintenance District Hospitals Xhariep District	District Hospital	Xhariep	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8		4 546			4 546
7	Pelonomi Hospital	Provincial Hospital	Motheo Thabo	Mangaung Metro	Bloemfontein	HFRG	Individual Programme	01 April 2017	31 March 2018	8	8 000	3 000			3 000
8	Dihlabeng Hospital	Provincial Hospital	Mofutsanyane	Dihlabeng	Bethlehem	HFRG	Individual Programme	01 April 2017	31 March 2018	8	3 186	1 000		( 1 000)	-
9	Maintenance EMS Rescue Services	EMS Station Mortuaries, Etc	Various Municipalities	Various Municipalities	Various Towns	HFRG	Individual Programme	01 April 2017	31 March 2018	8	12 696	4 000		( 2 210)	1 790
10	Maintenance Other Infrastructure Mangaung Metro	Residential, Etc Mortuaries, Etc	Motheo	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	11 994	1 350			1 350
11	Maintenance Other Infrastructure Fezile Dabi District	Residential, Etc Mortuaries, Etc	Fezile Dabi	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	732	500			500
12	Maintenance Other Infrastructure Lejweleputswa District	Residential, Etc Mortuaries, Etc	Lejweleputswa Thabo	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	1 142	500			500
13	Maintenance Other Infrastructure Thabo Mofutsanyane	Residential, Etc Mortuaries, Etc	Mofutsanyane	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	875	500			500
14	Maintenance Other Infrastructure Xhariep District	Residential, Etc Colleges and Schools	Xhariep	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	613	500			500
15	Maintenance Nursing Colleges And Schools	Schools	Various Municipalities	Various Municipalities	Various Towns	HFRG	Individual Programme	01 April 2017	31 March 2018	8	5 100	2 500			2 500
16	Maintenance & Repairs of Water Treatment Facilities	Other facilities	Various Municipalities	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	6 000	2 000			2 000
17	Maintenance and Repair Of Medical Gas Equipment	Other facilities	Various Municipalities	Various Municipalities	Various Towns	ES	Packaged Programme	01 April 2017	31 March 2018	8	30 000	10 000			10 000
<b>Total maintenance and repair</b>												<b>60 268</b>	<b>3 210</b>	<b>( 3 210)</b>	<b>60 268</b>

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No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>3. Upgrades and additions (R thousand)</b>															
1	Upgrades Clinics: Thabo Mofutsanyane District	Clinics and CHCs	Thabo Mofutsanyane	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	8 273	-	-	-	-
2	Upgrades Clinics: Lejweleputswa	Clinics and CHCs	Lejweleputswa	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	53 712	1 261	2 400		3 661
3	Upgrades Clinics: Fezile Dabi District	Clinics and CHCs	Fezile Dabi	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	18 358	1 617	2 400		4 017
4	Upgrades Clinics: Xhariep District	Clinics and CHCs	Xhariep District	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	40 324	1 261	2 400		3 661
5	Upgrades Clinics: Mangaung Metro District	Clinics and CHCs	Motheo District	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	32 522	2 000	2 400		4 400
<b>Total upgrades and additions</b>												<b>6 139</b>	<b>9 600</b>	<b>-</b>	<b>15 739</b>
<b>4. Refurbishment and rehabilitation (R thousand)</b>															
1	Refurbishment of Clinics: Thabo Mofutsanyane District	Clinics and CHCs	Thabo Mofutsanyane	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	20 304	4 362	5 000		9 362
2	Refurbishment of Clinics: Lejweleputswa	Clinics and CHCs	Lejweleputswa	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	31 621	7 943	5 000		12 943
3	Refurbishment of Clinics: Fezile Dabi District	Clinics and CHCs	Fezile Dabi	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	42 422	10 710	5 000		15 710
4	Refurbishment of Clinics: Xhariep District	Clinics and CHCs	Xhariep District	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	17 384	7 714	9 000		16 714
5	Refurbishment of Clinics: Mangaung Metro District	Clinics and CHCs	Motheo District	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2017	31 March 2018	8	27 192	16 690	10 000		26 690
6	Repairs and renovations of Dental Clinic, Stepdown, Maternity Home and Auditorium <b>National Hospital:</b>	District Hospital	Motheo District	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2016	31 March 2020	8	55 584	20 380		( 9 500)	10 880
7	Repairs and Renovations of Workshops, Garages, Laundry, Mortuary, Pharmacy and Kitchen <b>National Hospital:</b>	District Hospital	Motheo District	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2016	31 March 2020	8	57 404	21 454		( 9 000)	12 454
8	Repairs and Renovations of Cookfreeze <b>National Hospital:</b>	District Hospital	Motheo District	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2016	31 March 2020	8	66 080	17 631		( 11 500)	6 131
9	Repairs and Renovations of Wards: 2,3,4,5,6,7&8 <b>National Hospital:</b>	District Hospital	Motheo District	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2016	31 March 2020	8	93 604	24 367		( 6 000)	18 367
10	Repairs and Renovations of Doctors' Residence and Outpatient <b>National Hospital:</b>	District Hospital	Motheo District	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2016	31 March 2020	8	52 467	19 846		( 8 500)	11 346
11	Repairs and Renovations of Admission, Administration, Emergency and External Works <b>District Hospitals Refurbish and replacement Mechanical Equipment</b>	District Hospital	Motheo District	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2016	31 March 2020	8	54 953	19 501		( 12 500)	7 001
12	(Lifts, Aircons, Calorifiers, Autoclaves, etc)	District Hospital	Various Municipalities	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 June 2014	31 March 2020	8	118 000	12 000	21 000		33 000
13	<b>District Hospitals Refurbishment and replacement of Generators</b>	District Hospital	Various Municipalities	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 June 2014	31 March 2020	8	26 500	9 000	7 500		16 500

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No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
								<b>4. Refurbishment and rehabilitation (R thousand)</b>							
14	District Hospitals Refurbishment and Replacement of Boilers	District Hospital	Various Municipalities	Various Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2014	31 March 2017	8	70 293	20 000	16 017		36 017
15	Mafube Hospital	District Hospital		Mafube		HFRG		01 December 2015	31 March 2016	8	8 500	3 000	2 000		5 000
16	Dr. JS Moroka Hospital: Refurbishment	District Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2017	31 March 2020	8	110 000	14 000		(9 000)	5 000
17	Mancos Shared Services Accommodation - Hall	Provincial Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2014	30 July 2016	8	11 385	6 500		(3 500)	3 000
18	Boitumelo Hospital	Provincial Hospital	Fezile Dabi	Municipality	Kroonstad	HFRG	Individual Project	01 April 2017	31 March 2020	8	40 631	10 500		(7 917)	2 583
19	Pelonomi - Refurbish All Roofs	Provincial Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2015	31 March 2016	8	7 041				-
20	Pelonomi - Refurbish Maternity	Provincial Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 October 2015	31 August 2017	8	33 787	18 000		(7 000)	11 000
21	Pelonomi - Refurbish Water Reticulation & Under Floor Areas	Provincial Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 March 2016	31 March 2017	8	1 841				-
22	Pelonomi - Refurbish Records And Archives	Provincial Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 March 2018	30 April 2019	8	-				-
23	Pelonomi - Refurbish Waste Management	Provincial Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2016	30 September 2018	8	29 160	20 000		(1 108)	18 892
24	Pelonomi Paediatric MDR Unit	Provincial Hospital	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	08 January 2015	31 March 2017	8	3 016	1 500	108		1 608
25	Provincial Hospitals Refurbishment and Replacement of Boilers	Provincial Hospital	Various Municipalities	All Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2014	31 March 2020	8	34 695	10 000	10 500		20 500
26	Provincial Hospitals Refurbish and replacement Mechanical Equipment (Lifts, Aircons, Calorifiers, Autoclaves, etc)	Provincial Hospital	Various Municipalities	All Municipalities	Various Towns	HFRG	Packaged Programme	01 June 2014	31 March 2020	8	70 316	15 000	26 000		41 000
27	Provincial Hospitals Refurbishment and replacement of Generators	Provincial Hospital	Various Municipalities	All Municipalities	Various Towns	HFRG	Packaged Programme	01 June 2014	31 March 2020	8	27 020	10 000		(2 000)	8 000
28	Bongani Hospital	Provincial Hospital	Lejweleputswa	Matjhabeng	Welkom	HFRG	Individual Project	01 April 2017	31 March 2018	8	29 429	5 000			5 000
29	Mofumahadi Manapo Mopeli Hospital	Provincial Hospital	Thabo Mofutsanyane	Maluti a Phofung	Phuthaditjhaba	HFRG	Individual Project	01 April 2017	31 March 2018	8	28 969	10 000		(2 000)	8 000
30	FSPC Skills Development building - Renovation	Specialised Hosp	Motheo	Mangaung Metro	Various Towns	HFRG	Individual Project	01 November 2015	31 March 2017	8	2 107	2 000			2 000
31	Central and Specialised Hospitals Refurbishment and Replacement of Boilers	Central and Specialised Hosp	Various Municipalities	All Municipalities	Various Towns	HFRG	Packaged Programme	01 April 2014	31 March 2020	8	23 000	8 000	3 000		11 000
32	Central and Specialised Hospitals Refurbish and replacement Mechanical Equipment (Lifts, Aircons, Calorifiers, Autoclaves, etc)	Central and Specialised Hosp	Various Municipalities	All Municipalities	Various Towns	HFRG	Packaged Programme	01 June 2014	31 March 2020	8	12 775	4 000	14 500		18 500
33	Central and Specialised Hospitals Refurbishment and replacement of Generators	Central and Specialised Hosp	Various Municipalities	All Municipalities	Various Towns	HFRG	Packaged Programme	01 June 2014	31 March 2020	8	17 000	8 000		(3 000)	5 000
34	Universitas Academic Hospital	Specialised Hosp	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2017	31 March 2018	8	11 250	6 250			6 250
35	FSPC fire damaged Ward - Refurbish	Specialised Hosp	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 November 2015	31 March 2017	8	6 183	750		(750)	-

2017 Adjusted Estimates of Provincial Revenue & Expenditure

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18	
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)		
								<b>4. Refurbishment and rehabilitation (R thousand)</b>								
36	Free State Psychiatric Complex (FSPC)	Central and Specialised Hosp	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project	01 April 2017	31 March 2018	8	14 500	8 500		( 3 000)	5 500	
37	FSSON - Residence and Hall	Other facilities	Motheo	Mangaung Metro	Bloemfontein	HFRG	Individual Project			8	6 207	1 000		( 1 000)	-	
38	Refurb of Infra and Tech Serv. Offices	Other facilities	Motheo	Mangaung Metro	Bloemfontein	IEA	Individual Project			8	3 000	3 000		( 3 000)	-	
<b>Total refurbishment and rehabilitation</b>												<b>376 598</b>	<b>134 625</b>	<b>( 100 275)</b>	<b>410 948</b>	
<b>TOTAL INFRASTRUCTURE</b>												<b>513 436</b>	<b>147 435</b>	<b>( 150 435)</b>	<b>510 436</b>	
<b>5. Non-Infrastructure (R thousand)</b>																
1	Compensation for DoRA Funded Posts	Non-Infrastructure	Whole Province	Whole Province	Bloemfontein	HFRG	Packaged Program	01 April 2016	31 March 2017	8	48 358	18 000			18 000	
3	Goods and Services	Non-Infrastructure	Whole Province	Whole Province	Bloemfontein	HFRG	Packaged Program	01 April 2016	31 March 2017	8	7 348	3 000			3 000	
4	Procurement of Computing, draughting and printing hardware	Non-Infrastructure	Whole Province	Whole Province	Bloemfontein	HFRG	Packaged Program	01 April 2016	31 March 2017	8	2 200	1 000			1 000	
5	OD AND QA	Non-Infrastructure	Municipalities	Municipalities	Towns	HFRG	Packaged Program	01 April 2017	31 March 2018	8	3 054	2 027			2 027	
8	Trompsburg Hospital - Health Technology	Non-Infrastructure	Xhariep District	Kopanong	Trompsburg	HFRG	Individual Program	01 April 2016	31 March 2017	8	37 781	18 000			18 000	
10	Pelonomi - Procurement of Health Technology for completed projects	Non-Infrastructure	Motheo	Mangaung	Bloemfontein	HFRG	Individual Program	01 April 2016	31 March 2020	8	30 326	8 000			8 000	
11	ALL FACILITIES: Employment of Learners for Boiler Maintenance and Refurb	Non-Infrastructure	Municipalities	Municipalities	Towns	EPWP	Packaged Program	01 April 2016	31 March 2018	8	6 000	2 000			2 000	
19	Medical Equipment: Amelia Clinic	Non-Infrastructure	Fezile Dabi	Ngwathe	Parys	HFRG	Individual Program	01 April 2016	31 March 2017	8	2 094	1 100			1 100	
22	Medical Equipment: Bongani Hospital	Non-Infrastructure	Lejweleputswa	Matjhabeng	Welkom	HFRG	Individual Program	01 April 2016	31 March 2017	8	6 577	6 577			6 577	
23	Medical Equipment: Boitumelo Hospital	Non-Infrastructure	Fezile Dabi	Municipality	Kroonstad	HFRG	Individual Program	01 April 2017	31 March 2018	8		2 053			2 053	
24	Medical Equipment: Batho Location	Non-Infrastructure	Motheo	Mangaung	Bloemfontein	HFRG	Individual Program	01 April 2017	31 March 2018	8		1 000			1 000	
25	Medical Equipment: Fezile Dabi District	Non-Infrastructure	Fezile Dabi	Ngwathe	Towns	HFRG	Packaged Program	01 April 2017	31 March 2018	8		632			632	
26	Medical Equipment: Thabo Mofutsanyane District	Non-Infrastructure	Thabo Mofutsanyane	Various	Towns	HFRG	Packaged Program	01 April 2017	31 March 2018	8		1 370			1 370	
27	Medical Equipment: Sasolburg Clinic	Non-Infrastructure	Fezile Dabi	Municipalities	Sasolburg	HFRG	Individual Program	01 April 2017	31 March 2018	8		800			800	
28	Medical Equipment: Vogelfontein Clinic	Non-Infrastructure	Thabo Mofutsanyane	Dihlabeng	Bethlehem	HFRG	Individual Program	01 April 2017	31 March 2018	8	1 016	1 100			1 100	
31	Procurement and Replacement of Medical Equipment/Furniture	Non-Infrastructure	Municipalities	Municipalities	Towns	HFRG	Packaged Program	01 April 2017	31 March 2018	8	63 632	7 000			7 000	
32	Information Technology Connectivity and infrastructure for all completed projects	Non-Infrastructure	Various	Various	Various	HFRG	Packaged Program	01 April 2017	31 March 2018	8	3 930	1 000			1 000	
<b>TOTAL NON-INFRASTRUCTURE</b>												<b>74 659</b>	<b>-</b>	<b>-</b>	<b>74 659</b>	
<b>TOTAL INFRASTRUCTURE AND NON-INFRASTRUCTURE.</b>												<b>-</b>	<b>588 095</b>	<b>147 435</b>	<b>( 155 435)</b>	<b>580 095</b>

Table 5.8: Summary of adjusted infrastructure appropriation

2017/18			
Infrastructure	Main Appropriation	Increase/ Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>	<b>443 005</b>	<b>43 950</b>	<b>486 955</b>
Maintenance and repair	60 268		60 268
Upgrades and additions	6 139	9 600	15 739
Refurbishment and rehabilitation	376 598	34 350	410 948
<b>New infrastructure assets</b>	<b>70 431</b>	<b>( 51 950)</b>	<b>18 481</b>
<b>Infrastructure transfers</b>			
Current			
Capital			
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Non Infrastructure</b>	<b>74 659</b>		<b>74 659</b>
<b>Total Infrastructure</b>	<b>588 095</b>	<b>( 8 000)</b>	<b>580 095</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>	<b>104 282</b>	<b>( 6 656)</b>	<b>97 626</b>
Compensation of employees	19 680		19 680
Goods and Services	84 602	( 6 656)	77 946
Interest and rent on land			
<b>Transfers and subsidies to</b>			
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households			
<b>Payments for capital assets</b>	<b>483 813</b>	<b>( 1 344)</b>	<b>482 469</b>
Buildings and other fixed structures	453 168	( 8 000)	445 168
Machinery and equipment	30 595	6 656	37 251
Cultivated assets			
Software and other intangible assets	50		50
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>588 095</b>	<b>( 8 000)</b>	<b>580 095</b>

Table 5.9 Aid assistance

		2017/18							
		Adjustment appropriation					Total		
R thousand	Main appropriation	Special appropriation	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	Adjusted appropriation	
6. Health Sciences & Training						1 575	1 575	1 575	
Economic sphere									
Current									
HWSETA									
Training and development						1 575	1 575	1 575	
<b>Total aid assistance</b>						<b>1 575</b>	<b>1 575</b>	<b>1 575</b>	

The National human Resource Development Strategy and National Skills Development Strategy introduced Learnerships (18.1 and 18.2) and Internships as a mechanism to address the skills shortage and unemployment. Each year the Department is assisted by Health and Welfare SETA with funding so as to address the critical and scarce skills within the Department.

Payments are done in five (5) trenches upon submission of the following documents: Learnership agreements, Memorandum of Understanding, Learner Progress Reports and Statement of Results. This fund is used for payment of stipends, course fees, uniforms and books for learnership learners. Currently an amount of R1 575 000 has been transferred to the department and further transfers are expected.

**VOTE 6:  
DEPARTMENT OF EDUCATION**

**Vote 6****Department of Education****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>12 739 378</b>		<b>12 959 696</b>	<b>( 38 783)</b>	<b>259 101</b>
<i>of which economic classification:</i>					
Current payments	10 939 910		<b>11 031 308</b>	( 17 265)	108 663
Transfers and subsidies	1 237 274		<b>1 296 845</b>		59 571
Payments for capital assets	562 194		<b>631 237</b>	( 21 518)	90 561
Payments for financial assets			<b>306</b>		306
<i>of which source of funding:</i>					
Equitable Share	11 307 085		<b>11 299 279</b>	( 7 806)	
Conditional Grants	1 082 815		<b>1 282 039</b>		199 224
Earmarked funds	43 278		<b>72 178</b>	( 1 200)	30 100
Provincial Receipts	306 200		<b>306 200</b>		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>12 739 378</b>		<b>12 959 696</b>	<b>( 9 006)</b>	<b>229 324</b>
<b>Amount not to be appropriated - Aid Assistance</b>					
<b>Executive Authority</b>	<b>MEC for Education</b>				
<b>Accounting Officer</b>	<b>Head of Department: Education</b>				
<b>Website address</b>	<b><a href="http://www.education.fs.gov.za">www.education.fs.gov.za</a></b>				

**Purpose**

To be a department that strives for quality, universal education that is internationally competitive.

**Changes to programme purposes, objectives and measures**

There are no changes to programme purposes, objectives and measures proposed during the 2017/18 financial year.

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2017

Table 6.1(a): Adjusted Estimates per programme

2017/18								
Programme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Administration	1 026 807			( 19 594)	( 1 000)	( 6 806)	( 27 400)	999 407
2. Public Ordinary School Education	9 764 255		7 634	( 24 737)		15 704	( 1 399)	9 762 856
3. Independent School Subsidies	77 752							77 752
4. Public Special School Education	474 283			24 333		14 396	38 729	513 012
5. Early Childhood Development	158 207			( 6 200)			( 6 200)	152 007
6. Infrastructure Development	679 913		191 281	8 000	( 1 200)		198 081	877 994
7. Examination and Education Related Serv	558 161		309	18 198			18 507	576 668
<b>Subtotal</b>	<b>12 739 378</b>		<b>199 224</b>		<b>( 2 200)</b>	<b>23 294</b>	<b>220 318</b>	<b>12 959 696</b>
<b>Direct charge against the Provincial Revenue Fund</b>								
Item								
<b>Total</b>	<b>12 739 378</b>		<b>199 224</b>		<b>( 2 200)</b>	<b>23 294</b>	<b>220 318</b>	<b>12 959 696</b>

## Economic classification

Table 6.1(b): Adjusted Estimates by economic classification

Economic classification	Main appropriation	Special appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
<b>Current payments</b>	<b>10 939 910</b>		<b>108 663</b>	<b>( 9 459)</b>	<b>( 1 000)</b>	<b>( 6 806)</b>	<b>91 398</b>	<b>11 031 308</b>
Compensation of employees	10 061 109			( 9 451)		( 6 460)	( 15 911)	10 045 198
Goods and Services	878 751		108 663	( 95)	( 1 000)	( 346)	107 222	985 973
Interest and rent on land	50			87			87	137
<b>Transfers and subsidies to</b>	<b>1 237 274</b>			<b>29 471</b>		<b>30 100</b>	<b>59 571</b>	<b>1 296 845</b>
Provinces and municipalities								
Departmental agencies and accounts	30 124							30 124
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 187 150			28 757		30 100	58 857	1 246 007
Households	20 000			714			714	20 714
<b>Payments for capital assets</b>	<b>562 194</b>		<b>90 561</b>	<b>( 20 318)</b>	<b>( 1 200)</b>		<b>69 043</b>	<b>631 237</b>
Buildings and other fixed structures	515 581		89 078	( 14 000)	( 1 200)		73 878	589 459
Machinery and equipment	38 613		1 483	( 6 318)			( 4 835)	33 778
Cultivated assets								
Software and other intangible assets	8 000							8 000
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>				<b>306</b>			<b>306</b>	<b>306</b>
<b>Total</b>	<b>12 739 378</b>		<b>199 224</b>		<b>( 2 200)</b>	<b>23 294</b>	<b>220 318</b>	<b>12 959 696</b>

**Programme 1: Administration****Table 6.1.1: Adjusted Estimates**

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Office of the MEC	12 392							12 392
2. Corporate Services	394 942			(7 405)	(1 000)	(6 806)	(15 211)	379 731
3. Education Management	581 723			(7 689)			(7 689)	574 034
4. Human Resource Development	25 055			(4 500)			(4 500)	20 555
5. Education Management Information System	12 695							12 695
6. Conditional Grants								
<b>Total</b>	<b>1 026 807</b>			<b>(19 594)</b>	<b>(1 000)</b>	<b>(6 806)</b>	<b>(27 400)</b>	<b>999 407</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>989 718</b>			<b>(22 228)</b>	<b>(1 000)</b>	<b>(6 806)</b>	<b>(30 034)</b>	<b>959 684</b>
Compensation of employees	775 448			(20 783)		(6 460)	(27 243)	748 205
Goods and Services	214 220			(1 532)	(1 000)	(346)	(2 878)	211 342
Interest and rent on land	50			87			87	137
<b>Transfers and subsidies to</b>	<b>3 992</b>			<b>714</b>			<b>714</b>	<b>4 706</b>
Provinces and municipalities								
Departmental agencies and accounts	37							37
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 000							1 000
Households	2 955			714			714	3 669
<b>Payments for capital assets</b>	<b>33 097</b>			<b>1 824</b>			<b>1 824</b>	<b>34 921</b>
Buildings and other fixed structures								
Machinery and equipment	25 097			1 824			1 824	26 921
Cultivated assets								
Software and other intangible assets	8 000							8 000
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>				<b>96</b>			<b>96</b>	<b>96</b>
<b>Total</b>	<b>1 026 807</b>			<b>(19 594)</b>	<b>(1 000)</b>	<b>(6 806)</b>	<b>(27 400)</b>	<b>999 407</b>

## Programme 2: Public Ordinary School Education

Table 6.1.2: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Public Primary Level	5 513 715				113	3 342	3 455	5 517 170
2. Public Secondary Level	3 787 203				( 3 832)	12 362	8 530	3 795 733
3. Human Resource Development	38 547				( 15 600)		( 15 600)	22 947
4. School sport, Culture and Media Services	34 837				( 22)		( 22)	34 815
5. Conditional Grants	389 953		7 634		( 5 396)		2 238	392 191
<b>Total</b>	<b>9 764 255</b>		<b>7 634</b>		<b>( 24 737)</b>	<b>15 704</b>	<b>( 1 399)</b>	<b>9 762 856</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>8 801 485</b>		<b>7 151</b>		<b>( 29 621)</b>		<b>( 22 470)</b>	<b>8 779 015</b>
Compensation of employees	8 549 982				900		900	8 550 882
Goods and Services	251 503		7 151		( 30 521)		( 23 370)	228 133
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>952 951</b>				<b>12 845</b>	<b>15 704</b>	<b>28 549</b>	<b>981 500</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	936 772				12 845	15 704	28 549	965 321
Households	16 179							16 179
<b>Payments for capital assets</b>	<b>9 819</b>		<b>483</b>		<b>( 8 142)</b>		<b>( 7 659)</b>	<b>2 160</b>
Buildings and other fixed structures								
Machinery and equipment	9 819		483		( 8 142)		( 7 659)	2 160
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>					<b>181</b>		<b>181</b>	<b>181</b>
<b>Total</b>	<b>9 764 255</b>		<b>7 634</b>		<b>( 24 737)</b>	<b>15 704</b>	<b>( 1 399)</b>	<b>9 762 856</b>

**Programme 3: Independent School Subsidies****Table 6.1.3: Adjusted Estimates**

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Primary Level	46 032							46 032
2. Secondary Level	31 720							31 720
<b>Total</b>	<b>77 752</b>							<b>77 752</b>
<b>Economic classification</b>								
<b>Current payments</b>								
Compensation of employees								
Goods and Services								
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>77 752</b>							<b>77 752</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	77 752							77 752
Households								
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>77 752</b>							<b>77 752</b>

## Programme 4: Public Special School Education

Table 6.1.4: Adjusted Estimates

2017/18								
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. Schools	457 440				25 629	14 396	40 025	497 465
2. Human Resource Development	3 000				(1 692)		(1 692)	1 308
3. School Sport, Culture and Media Service	275							275
4. Conditional Grants	13 568				396		396	13 964
<b>Total</b>	<b>474 283</b>				<b>24 333</b>	<b>14 396</b>	<b>38 729</b>	<b>513 012</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>403 277</b>				<b>20 008</b>		<b>20 008</b>	<b>423 285</b>
Compensation of employees	395 749				21 700		21 700	417 449
Goods and Services	7 528				(1 692)		(1 692)	5 836
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>70 144</b>				<b>4 296</b>	<b>14 396</b>	<b>18 692</b>	<b>88 836</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	69 828				4 296	14 396	18 692	88 520
Households	316							316
<b>Payments for capital assets</b>	<b>862</b>							<b>862</b>
Buildings and other fixed structures								
Machinery and equipment	862							862
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>					<b>29</b>		<b>29</b>	<b>29</b>
<b>Total</b>	<b>474 283</b>				<b>24 333</b>	<b>14 396</b>	<b>38 729</b>	<b>513 012</b>

## Programme 5: Early Childhood Development

Table 6.1.5: Adjusted Estimates

2017/18								
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. Grade R in Public Schools	141 555				( 4 975)		( 4 975)	136 580
2. Grade R in Early Childhood Development	10 326				( 25)		( 25)	10 301
3. Pre-Grade R Training	1 057							1 057
4. Human Resource Development	3 590				( 1 200)		( 1 200)	2 390
5. Contional Grants	1 679							1 679
<b>Total</b>	<b>158 207</b>				<b>( 6 200)</b>		<b>( 6 200)</b>	<b>152 007</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>139 140</b>				<b>( 6 200)</b>		<b>( 6 200)</b>	<b>132 940</b>
Compensation of employees	129 236				( 5 268)		( 5 268)	123 968
Goods and Services	9 904				( 932)		( 932)	8 972
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>19 067</b>							<b>19 067</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	19 044							19 044
Households	23							23
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>158 207</b>				<b>( 6 200)</b>		<b>( 6 200)</b>	<b>152 007</b>

**Programme 6: Infrastructure Development**

Table 6.1.6: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable Roll-overs	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand								
1. Administration	44 628		1 000	22 000	(1 200)		21 800	66 428
2. Public Ordinary Schools	598 842		190 281	14 112			204 393	803 235
3. Special Schools	20 020			(17 517)			(17 517)	2 503
4. Early Childhood Development	16 423			(10 595)			(10 595)	5 828
<b>Total</b>	<b>679 913</b>		<b>191 281</b>	<b>8 000</b>	<b>(1 200)</b>		<b>198 081</b>	<b>877 994</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>164 332</b>		<b>101 203</b>	<b>20 494</b>			<b>121 697</b>	<b>286 029</b>
Compensation of employees	21 000			(6 000)			(6 000)	15 000
Goods and Services	143 332		101 203	26 494			127 697	271 029
Interest and rent on land								
<b>Transfers and subsidies to</b>				<b>1 506</b>			<b>1 506</b>	<b>1 506</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions				1 506			1 506	1 506
Households								
<b>Payments for capital assets</b>	<b>515 581</b>		<b>90 078</b>	<b>(14 000)</b>	<b>(1 200)</b>		<b>74 878</b>	<b>590 459</b>
Buildings and other fixed structures	515 581		89 078	(14 000)	(1 200)		73 878	589 459
Machinery and equipment			1 000				1 000	1 000
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>679 913</b>		<b>191 281</b>	<b>8 000</b>	<b>(1 200)</b>		<b>198 081</b>	<b>877 994</b>

**Programme 7: Examination and Education Related Services**

Table 6.1.7: Adjusted Estimates

Subprogramme	2017/18							
	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. Payments to SETA	30 083							30 083
2. Professional Services	93 897				( 784)		( 784)	93 113
3. Special Projects	257 071				15 253		15 253	272 324
4. External Examinations	163 130				3 729		3 729	166 859
5. Conditional Grants	13 980		309				309	14 289
<b>Total</b>	<b>558 161</b>		<b>309</b>		<b>18 198</b>		<b>18 507</b>	<b>576 668</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>441 958</b>		<b>309</b>		<b>8 088</b>		<b>8 397</b>	<b>450 355</b>
Compensation of employees	189 694							189 694
Goods and Services	252 264		309		8 088		8 397	260 661
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>113 368</b>				<b>10 110</b>		<b>10 110</b>	<b>123 478</b>
Provinces and municipalities								
Departmental agencies and accounts	30 087							30 087
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	82 754				10 110		10 110	92 864
Households	527							527
<b>Payments for capital assets</b>	<b>2 835</b>							<b>2 835</b>
Buildings and other fixed structures								
Machinery and equipment	2 835							2 835
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>558 161</b>		<b>309</b>		<b>18 198</b>		<b>18 507</b>	<b>576 668</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017****Roll-overs – R199.224 million****Programme 2: Public Ordinary school Education**

An amount of R3.694 million is being rolled over for National school Nutrition Programme and R3.940 million for Maths, Science and Technology Grant in respect of outstanding commitments from 2016/17.

**Programme 6: Infrastructure Development**

An amount of R191.281 million is being rolled over for Education Infrastructure Grant in relation to outstanding commitments from 2016/17.

**Programme 7: Examination and Education Related Services**

An amount of R0.309 million is being rolled over for HIV and Aids (Life Skills Education) Grant in relation to outstanding commitments from 2016

**Other Adjustments – R23.294 million**

**Programme: Administration**

Due to transfer of function, R6.806 million will be transferred to Office of the Premier: Provincial Bursaries.

**Programme: Public Ordinary School Education**

An additional R15.704 million has been allocated towards school transfers to Public Ordinary Schools.

**Programme: Public Special School Education**

An additional R14.396 million has been allocated towards school transfers to Public Special Schools.

**Virements and shifts**

<b>Table 6.2: Details on virements and shifts</b>					
<b>Programmes</b>		<b>R'thousand</b>	<b>Programmes</b>		<b>R'thousand</b>
1. Administration		( 26 428)	1. Administration		6 834
2. Public Ordinary School Education		( 54 099)	2. Public Ordinary School Education		29 362
3. Independent School Subsidies		0	3. Independent School Subsidies		0
4. Public Special School Education		( 1 692)	4. Public Special School Education		26 025
5. Early Childhood Development		( 6 468)	5. Early Childhood Development		268
6. Infrastructure Development		( 28 000)	6. Infrastructure Development		36 000
7. Examination and Education Related Services		( 10 824)	7. Examination and Education Related Services		29 022
<b>Total</b>		<b>( 127 511)</b>			<b>127 511</b>
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by Economic classification</b>	<b>Motivation</b>	<b>R' thousand</b>	<b>Programme by Economic classification</b>	<b>Motivation</b>	<b>R' thousand</b>
<b>Programme 1</b>		( 26 428)	<b>Programme 1</b>		6 834
<b>Compensation of employees</b>	Saving due to termination of packers to be utilised towards shortfall on forensic investigation	( 1 783)	<b>Compensation of employees</b>		
	Saving due to appointment of interns paid by SETA will be utilised towards shortfall on forensic investigation	( 2 300)			
	Saving under compensation of employees is due to termination of packers who were appointed on contract and will be reappointed when we deliver books during the month of December and January and slow appointment of ECD practitioners, funds will be utilised towards shortfall on compensation of employees under Public Special Schools	( 16 700)			
<b>Goods and Services</b>	Savings on training of employees towards funding operational budget of HOD, ELITS and Financial accounting as well funding the priority ELITS and maintenance of buildings	( 1 323)	<b>Goods and Services</b>	Saving under catering towards shortfall on Data contracts for newly appointed staff	30
	Savings under catering, travel and subsistence towards interest on overdue accounts eg. Water and electricity and telephone accounts	( 87)		Saving due to termination of packers to be utilised towards shortfall on forensic investigation	1 783
	Saving under catering towards shortfall on Data contracts for newly appointed staff	( 30)		Saving due to appointment of interns paid by SETA be utilised towards shortfall on forensic investigation	2 300
	Saving under various items towards purchase of computer equipment as part of EMIS project	( 25)			
	Saving on cateridges, operating payments, consumables and travel and subsistence to be utilised to purchase computer equipment	( 751)			
	Saving on travel and subsistence cost to be utilised towards shortfall on office equipment	( 80)			
	Savings under operating lease to be utilised towards shortfall on computer and office equipment	( 480)			

2017 Adjusted Estimates of Provincial Revenue & Expenditure

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
	Savings under various items towards shortfall on gardening equipment within Fezile Dabi District	( 35)			
	Saving under operating payments towards shortfall on finance leases of office equipment	( 100)			
	Savings due to slow spending on priorities and items towards shortfall on payments to SITA, Health Risk Practitioner, Strategic Planning event and computer equipment as well as theft and losses	( 2 734)			
<b>Interest and rent on land</b>			<b>Interest and rent on land</b>	Towards shortfall under interest on overdue accounts eg. Water and electricity from savings under catering, travel and subsistence	87
<b>Non profit institutions</b>			<b>Non profit institutions</b>		
<b>Households</b>			<b>Households</b>	Savings under goods and services on Literacy and Numeracy Project towards bursaries awarded by MEC: Education	714
<b>Machinery and Equipment</b>			<b>Machinery and Equipment</b>	Savings on training of employees towards funding operational budget of HOD, ELITS and Financial accounting as well funding the priority ELITS and maintenance of buildings	268
				Saving under various items towards purchase of computer equipment as part of EMIS project	25
				Saving on cateridges, operating payments, consumables and travel and subsistence to be utilised to purchase computer equipment	751
				Saving on travel and subsistence cost to be utilised towards shortfall on office equipment	80
				Savings under operating lease to be utilised towards shortfall on computer and office equipment	480
				Savings under various items towards shortfall on gardening equipment within Fezile Dabi District	35
				Saving under operating payments towards shortfall on finance leases of office equipment	100
				Savings due to slow spending on priorities and items towards shortfall on payments to SITA, Health Risk Practitioner, Strategic Planning event and computer equipment as well as theft and losses	85

2017 Adjusted Estimates of Provincial Revenue & Expenditure

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Payments for financial assets			Payments for financial assets	Savings due to slow spending on priorities and items towards shortfall on payments to SITA, Health Risk Practitioner, Strategic Planning event and computer equipment as well as theft and losses	96
Percentage of programme budget		-2%			
Programme 2		( 54 099)	Programme 2		29 362
Compensation of employees			Compensation of employees	Savings under National School Nutrition Programme, to be utilised towards, shortfall on machinery and equipment feeding of learners as well as transfers allocation to Special schools	900
Goods and Services	Savings on training of employees towards funding operational budget of HOD, ELITS and Financial accounting as well funding the priority ELITS and maintenance of buildings	( 15 600)	Goods and Services	Savings under National School Nutrition Programme, to be utilised towards, shortfall on machinery and equipment feeding of learners as well as transfers allocation to Special schools	2 610
	Reprioritisation of the priorities: Schools of Trade and Finishing schools towards non-profit institutions as they are schools with section 21 function.	( 19 610)		Funds were allocated to school as transfer payments instead of goods and services	396
	Savings under computer equipment to be utilised under non profit institutions towards security at schools which form part of the school connectivity priority .	( 927)		Saving under machinery and equipment due to incorrect budgeting been utilised under transfer payments and goods and services as part of the projects schools of trade and finishing schools.	2 690
	Savings under various items to be utilised towards shortfall on finance leases of photocopiers	( 58)			
	Savings due to slow spending on priorities and items towards shortfall on payments to SITA, Health Risk Practitioner, Strategic Planning event and computer equipment as well as theft and losses	( 22)			
Interest and rent on land			Interest and rent on land		
Non profit institutions	Savings under National School Nutrition Programme, to be utilised towards, shortfall on machinery and equipment feeding of learners as well as transfers allocation to Special schools	( 9 096)	Non profit institutions		
	Funds were allocated to school as transfer payments instead of goods and services	( 396)		Reprioritisation of the priorities: Schools of Trade and Finishing schools towards non-profit institutions as they are schools with section 21 function.	19 610

2017 Adjusted Estimates of Provincial Revenue & Expenditure

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
				Savings under computer equipment to be utilised under non profit institutions towards security at schools which form part of the school connectivity priority.	927
				Saving under machinery and equipment due to incorrect budgeting been utilised under transfer payments and goods and services as part of the projects schools of trade and finishing schools.	1 800
<b>Machinery and Equipment</b>	Saving under machinery and equipment due to incorrect budgeting been utilised under transfer payments and goods and services as part of the projects schools of trade and finishing schools.	( 8 390)	<b>Machinery and Equipment</b>	Savings under various items to be utilised towards shortfall on finance leases of photocopiers	58
				Savings under National School Nutrition Programme, to be utilised towards, shortfall on machinery and equipment feeding of learners as well as transfers allocation to Special schools	190
<b>Payments for financial assets</b>			<b>Payments for financial assets</b>	Savings due to slow spending on priorities and items towards shortfall on payments to SITA, Health Risk Practitioner, Strategic Planning event and computer equipment as well as theft and losses	181
<b>Percentage of programme budget</b>		<b>0%</b>			
<b>Programme 3</b>			<b>Programme 3</b>		-
<b>Percentage of programme budget</b>		<b>0%</b>			
<b>Programme 4</b>		( 1 692)	<b>Programme 4</b>		26 025
<b>Compensation of employees</b>			<b>Compensation of employees</b>	Saving under compensation of employees is due to termination of packers who were appointed on contract and will be reappointed when we deliver books during the month of December and January and slow appointment of ECD practitioners, funds will be utilised towards shortfall on compensation of employees under Public Special Schools	21 700
<b>Goods and Services</b>	Savings on training of employees towards funding operational budget of HOD, ELITS and Financial accounting as well funding the priority ELITS and maintenance of buildings	( 1 692)			

2017 Adjusted Estimates of Provincial Revenue & Expenditure

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Non profit institutions			Non profit institutions	Savings under National School Nutrition Programme, to be utilised towards, shortfall on machinery and equipment feeding of learners as well as transfers allocation to Special schools	396
Payments for financial assets			Payments for financial assets	Saving under machinery and equipment due to incorrect budgeting been utilised under transfer payments and goods and services as part of the projects schools of trade and finishing schools.	3 900
				Savings due to slow spending on priorities and items towards shortfall on payments to SITA, Health Risk Practitioner, Strategic Planning event and computer equipment as well as theft and losses	29
<b>Percentage of programme budget</b>		<b>5%</b>			
<b>Programme 5</b>		<b>( 6 468)</b>	<b>Programme 5</b>		<b>268</b>
Compensation of employees	Saving due to reprioritisation towards capacity building within the business plan of Social EPWP incentive grant	( 268)	Compensation of employees		
	Saving under compensation of employees is due to termination of packers who were appointed on contract and will be reappointed when we deliver books during the month of December and January and slow appointment of ECD practitioners, funds will be utilised towards shortfall on compensation of employees under Public Special Schools	( 5 000)			
Goods and Services	Savings on training of employees towards funding operational budget of HOD, ELITS and Financial accounting as well funding the priority ELITS and maintenance of buildings	( 1 200)	Goods and Services	Saving due to reprioritisation towards capacity building within the business plan of Social EPWP incentive grant	268
<b>Percentage of programme budget</b>		<b>-4%</b>			
<b>Programme 6</b>		<b>( 28 000)</b>	<b>Programme 6</b>		<b>36 000</b>
Compensation of employees	Saving due to reprioritisation of infrastructure allocation	( 6 000)	Compensation of employees		
Goods and Services			Goods and Services	Savings on training of employees towards funding operational budget of HOD, ELITS and Financial accounting as well funding the priority ELITS and maintenance of buildings	3 000
	Saving due to reprioritisation of infrastructure allocation	( 3 000)		Saving due to reprioritisation of infrastructure allocation	26 494
Non profit institutions			Non profit institutions	Saving due to reprioritisation of infrastructure allocation	1 506

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Buildings and fixed structures</b>	Saving due to reprioritisation of infrastructure allocation	( 19 000)	<b>Buildings and fixed structures</b>	Savings under National School Nutrition Programme, to be utilised towards, shortfall on machinery and equipment feeding of learners as well as transfers allocation to Special schools	5 000
<b>Machinery and Equipment</b>			<b>Machinery and Equipment</b>		
<b>Percentage of programme budget</b>		<b>1%</b>			
<b>Programme 7</b>		<b>( 10 824)</b>	<b>Programme 7</b>		<b>29 022</b>
<b>Compensation of employees</b>			<b>Compensation of employees</b>		
<b>Goods and Services</b>	Savings under various items to be utilised under non profit institutions towards winter classes as part of matric intervention	( 10 000)	<b>Goods and Services</b>	Savings on training of employees towards funding operational budget of HOD, ELITS and Financial accounting as well funding the priority ELITS and maintenance of buildings	16 547
	Savings under goods and services on Literacy and Numeracy Project towards bursaries awarded by MEC: Education	( 714)		Savings due to slow spending on priorities and items towards shortfall on payments to SITA, Health Risk Practitioner, Strategic Planning event and computer equipment as well as theft and losses	2 365
<b>Non profit institutions</b>	Savings under various items to be utilised under non profit institutions towards OR Thambo Football competition	( 110)	<b>Non profit institutions</b>	Savings under various items to be utilised under non profit institutions towards winter classes as part of matric intervention	10 000
				Savings under various items to be utilised under non profit institutions towards OR Thambo Football competition	110
<b>Percentage of programme budget</b>		<b>3%</b>			
<b>TOTAL</b>		<b>( 127 511)</b>			<b>127 511</b>

## Virements

### Reprioritisation of funds towards shortfall experienced under the priority ELITS, School furniture, day to day maintenance as well as operational cost

60percent of learners in Quintile 1-3 in our public ordinary schools are struggling to learn to read. It was decided that more must be capitalized in improving the reading and writing skills of learners. The Auditor General also requested the Department to improve the conditions of registries at district offices. Schools are also in desperate need of school furniture and unforeseen shortfall experienced under operational budget of the office of the Head of Department as well as Financial Accounting directorate.

**From: Programme 1: Administration,** Current Expenditure, Goods and Services, R1.323 million

**From: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and Services, R15.600 million

**From: Programme 4: Public Special School Education,** Current Expenditure, Goods and Services, R1.692 million

**From: Programme 5: Early Childhood Development,** Current Expenditure, Goods and Services, R1.200 million

**To: Programme 1: Administration,** Capital Expenditure, Machinery and Equipment, R0.268 million

**To: Programme 6: Infrastructure Development,** Current Expenditure, Goods and Services, R3 million

**To: Programme 7: Examination and education related services,** Current Expenditure, Goods and Services, R16.547 million

#### **Funding of bursaries awarded to learners by MEC: Education**

The Executive Council took a decision that each department must fund the bursaries awarded by their respective MEC's themselves.

**From: Programme 7: Examination and education related services,** Current Expenditure, Goods and Services, R0.714 million

**To: Programme 1: Administration,** Current Transfer Payments, Households, R0.714 million

#### **SHIFTING OF FUNDS WITHIN MAIN DIVISION**

##### **Increase interest and rent on land to fund the shortfall on interest on overdue accounts**

Interests are charged on overdue water and electricity and Telkom accounts. The budget towards interest was not sufficient.

**From: Programme 1: Administration,** Current Expenditure, Goods and Services, R0.087million

**To: Programme 1: Administration,** Current Expenditure, Interest and Rent on land, R0.087million

##### **Shifting of funds between sub-programmes to purchase data contracts**

Five subject advisors were appointed to support schools in technical subjects. For them to perform their duties fully they need to have access to the internet which requires data as they are responsible for developing material, set question papers and do research. As the contracts is centralised under corporate service funds needed to be shifted between sub programmes.

**From: Programme 1: Administration,** Current Expenditure, Education Management, Goods and Services, R0.030 million

**To: Programme 1: Administration,** Current Expenditure, Corporate Services, Goods and services, R0.030 million

**Increase of capital expenditure to purchase computer equipment as part of the expansion of EMIS project.**

An IPAD was purchased in the 2016/17 financial year but was not paid. Therefore the shifting of funds towards payment of the accrual. The EMIS section was also in need of a desktop printer as the old printer was broken down.

**From: Programme 1: Administration, Current Expenditure, Goods and Services, R0.025million**

**To: Programme 1: Administration, Capital Expenditure, Machinery and Equipment, R0.025million**

**Decrease compensation of employees and increase goods and services towards consultant services**

A forensic investigation towards irregularities within the Department of Education was launched.

**From: Programme 1: Administration, Current Expenditure, Compensation of Employees, R4.083 million**

**To: Programme 1: Administration, Current Expenditure, Goods and Services, R4.083 million**

**Shifting towards purchasing of office equipment**

Office furniture was purchased during 2016/17 financial year but not paid. Therefore accruals needs to be paid during the current financial year. Office equipment needed to be purchased for the Office of the Head.

**From: Programme 1: Administration, Current Expenditure, Goods and Services, R0.080million**

**To: Programme 1: Administration, Capital Expenditure, Machinery and Equipment, R0.080million**

**Increase current transfers towards hosting winter schools as part of matric support programme**

Winter schools are hosted during the June holidays but it was budgeted incorrectly under capital transfer payments instead of current transfer payments.

**From: Programme 7: Examination and education related services, Current expenditure, Goods and Services, R10.000 million**

**To: Programme 7: Examination and education related services, Current transfer payments, Non-profit institutions, R10.000 million.**

**Increase current transfers towards the projects schools of trade and finishing schools**

The establishment of finishing schools and schools of skill were stated in the State of the Province address. Initially the Department would purchase on behalf but then it was discovered that the schools were allocated section 21 function and therefore fund needs to be transferred to schools.

**From: Programme 2: Public Ordinary School Education, Current Expenditure, Goods and Services, R19.610 million**

**To: Programme 2: Public Ordinary School Education, Current transfer payments, Non-Profit Institutions, R19.610 million**

**Increase capital payments towards purchasing of computer and audio visual equipment**

The computer and audio visual equipment of the Department is outdated and cannot handle the amount of data and is starting to breakdown.

**From: Programme 1: Administration,** Current Expenditure, Goods and services, R0.751million;

**To: Programme 1: Administration,** Capital Expenditure, Machinery and equipment, R0.751million

**Increase current transfers towards the smart schools project**

Approval was granted to appoint private security services firms to render security services at the 5 schools identified. These 5 schools are with section 21 function and therefore funds need to be transferred to the mentioned schools.

**From: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and services, R0.927 million

**To: Programme 2: Public Ordinary School Education,** Current transfer payments, Non-Profit Institutions, R0.927 million

**Increase capital payments towards leasing of photocopier machines**

The tenth day survey that indicated the number of learners per school's results was received on the same day that the Department had to submit its final budget document to Provincial Treasury. Therefore schools revised their budgets during the financial year. A need was discovered towards the rental of photocopiers at schools, therefore the request for shifting of funds.

**From: Programme 2: Public Ordinary School Education,** Current Expenditure, Goods and services, R0.058 million;

**To: Programme 2: Public Ordinary School Education,** Capital Expenditure, Machinery and equipment, R0.058 million

**Saving on operating leases to be utilised towards purchasing of office and computer equipment**

The department purchased an industrial shredder in 2007 and it will be costly to be repaired. The Supply Chain directorates computers was purchased in 2005 and are now outdated and is no more compatible with the new systems like Logis Intergration, CSD and FSSMS.

**From: Programme 1: Administration,** Current Expenditure, Goods and Services, R0.480 million;

**To: Programme 1: Administration,** Capital Expenditure, Machinery and Equipment, R0.480 million

**Saving on various items under goods and services to purchase gardening equipment for district office.**

Fezile Dabi District office shifted funds towards purchasing an industrial lawnmover.

**From: Programme 1: Administration,** Current Expenditure, Goods and Services, R0.035 million;

**To: Programme 1: Administration,** Capital Expenditure, Machinery and Equipment, R0.035 million

**Saving under goods and services to rental of photocopier machines at district offices**

Accruals of 2016/17 financial year was paid during the current financial year and resulted in a shortfall in the current financial year. As the contracts to purchase subsidised vehicles was not renewed a saving was realised under insurance towards subsidised vehicles.

**From: Programme 1: Administration,** Current Expenditure, Goods and Services, R0.100 million;

**To: Programme 1: Administration,** Capital Expenditure, Machinery and Equipment, R0.100 million

**Decrease compensation of employees and increase goods and services towards EPWP Social Sector Incentive grant**

The business plan of the EPWP Social Sector Incentive grant made provision of 20percent for the allocation of capacity building, which is for reporting and administrative costs.

**From: Programme 5: Early Childhood Development,** Current Expenditure, Compensation of Employees, R0.268 million

**To: Programme 5: Early Childhood Development,** Current Expenditure, Goods and Services, R0.268 million

**Increase current transfers towards Grade R at community based centres**

Claims in respect of 2016/17 financial year was received late from community based ECD centres and therefore needed to be paid during the current financial year.

**From: Programme 5: Early Childhood Development,** Grade R in Public schools, Current Transfer payments, Non-profit Institutions, R0.675 million

**To: Programme 5: Early Childhood Development,** Grade R in Early Childhood Development Centres, Current transfer payments, Non-profit institutions, R0.675 million

**Reprioritisation of Compensation of Employees**

Due to termination of contracts of packers and slow appointment of ECD practitioners a saving was realised and will be utilised towards shortfall on compensation of employees at Public Special schools.

**From: Programme 1: Administration,** Current payments, Compensation of employees, R16.700 million

**From: Programme 5: Early Childhood Development,** Current payments, Compensation of employees, R5 million

**To: Programme 4: Public Special School Education,** Current payments, Compensation of employees, R21.700 million

**Reprioritisation of earmarked, operational and priorities budgets**

Due to slow spending on priorities and operational budgets funds were reprioritised towards shortfall under examination, Health Risk Practitioners, Strategic Planning of the Department and theft and losses.

**From: Programme 1: Administration,** Current payments, Goods and services, R2.734 million

**From: Programme 2: Public Ordinary School Education,** Current payments, Goods and services, R0.022 million

**To: Programme 1: Administration,** Capital Payments, Machinery and equipment, R0.085 million

**To: Programme 1: Administration,** Payments for Financial Assets, R0.096 million

**To: Programme 2: Public Ordinary School Education,** Payments for Financial Assets, R0.181 million

**To: Programme 4: Public Special School Education,** Payments for Financial Assets, R0.029 million

**To: Programme 7: Examination and Education Related Services,** Current Payments, Goods and services, R2.365 million

### **Reprioritisation of National School Nutrition Programme**

The National School Nutrition Programme were reprioritised therefore the following adjustments

**From: Programme 2: Public Ordinary School Education,** Current transfer payments, Non-profit institutions, R9.096 million

**To: Programme 2: Public Ordinary School Education,** Current payments, Compensation of employees, R0.900 million

**To: Programme 2: Public Ordinary School Education,** Current payments, Goods and services, R2.610 million

**To: Programme 2: Public Ordinary School Education,** Capital payments, Machinery and Equipment, R0.190 million

**To: Programme 4: Public Special School Education,** Current transfer payments, Non-profit institutions, R0.396 million

**To: Programme 6: Infrastructure Development,** Capital payments, Buildings and other fixed structures, R5.000 million

### **Correction of misclassification of schools**

St Benedict was declared as a Section 21 School without C function but budgeted for as full section 21 school

**From: Programme 2: Public Ordinary School Education,** Current transfer payments, Non-profit institutions, R0.396 million

**To: Programme 2: Public Ordinary School Education,** Current payments, Goods and Services, R0.396 million

### **Reprioritisation of schools of trade**

The budget for school of trade was revised and therefore shifting between economic classification and programmes as it is special schools.

**From: Programme 2: Public Ordinary School Education,** Capital payments, Machinery and equipment, R8.390 million

**To: Programme 2: Public Ordinary School Education,** Current expenditure, Goods and services, R2.690 million

**To: Programme 2: Public Ordinary School Education,** Current transfer payments, Non-profit institutions, R1.800 million

**To: Programme 4: Public Special School Education,** Current transfer payments, Non-profit institutions, R3.900 million

### **Reprioritisation of Infrastructure Development allocation**

The budget towards projects for infrastructure was revised and reprioritised therefore the shifting between economic classifications.

**From: Programme 6: Infrastructure Development, Current payments, Compensation of employees, R6 million**

**From: Programme 6: Infrastructure Development, Current payments, Goods and services, R3 million**

**From: Programme 6: Infrastructure Development, Capital payments, Buildings and fixed structures, R19 million**

**To: Programme 6: Infrastructure Development, Current payments, Goods and services, R26.494 million**

**To: Programme 6: Infrastructure Development, Current transfer payments, Non Profit Institutions, R1.506 million**

### **Shifting of funds towards OR Tambo Football competition**

Free State Schools is going to attend OR Tambo Football competition and need to award those schools who performed well.

**From: Programme 7: Examination and education related services, Current payments, Goods and services, R0.110 million**

**From: Programme 7: Examination and education related services, Current transfer payments, Non-profit institutions, R0.110million**

### **Declared Unspent –R2.200 million**

R1.200 million has been suspended from Infrastructure enhancement allocation and R1 million from equitable share and communications.

### **Gifts, donations and sponsorship –R0.00**

No gifts, donations and sponsorships was received

**Expenditure outcome for 2016/17 and actual expenditure for 2017/18**

Table 6.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	Apr 2016 - Sep 2016 (% of adjusted appropriation)	Apr 2016 - Mar 2017	Apr 2016 - Mar 2017 (% of adjusted appropriation)	Adjusted appropriation	Adjusted appropriation / Total (%)	Apr 2017 - Sep 2017	Apr 2017 - Sep 2017 (% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	941 382	475 904	50.6%	911 521	96.8%	999 407	7.7%	492 730	49.3%
2. Public Ordinary School Education	9 004 081	4 807 664	53.4%	9 321 051	103.5%	9 762 856	75.3%	5 469 917	56.0%
3. Independent School Subsidies	88 641	55 810	63.0%	71 475	80.6%	77 752	0.6%	53 416	68.7%
4. Public Special School Education	460 600	241 506	52.4%	452 346	98.2%	513 012	4.0%	259 803	50.6%
5. Early Childhood Development	144 509	66 732	46.2%	132 415	91.6%	152 007	1.2%	67 599	44.5%
6. Infrastructure Development	729 028	257 190	35.3%	535 879	73.5%	877 994	6.8%	398 897	45.4%
7. Examination and Education Related Services	745 912	448 820	60.2%	669 217	89.7%	576 668	4.4%	219 734	38.1%
<b>Subtotal</b>	<b>12 114 153</b>	<b>6 353 626</b>	<b>52.4%</b>	<b>12 093 904</b>	<b>99.8%</b>	<b>12 959 696</b>	<b>100.0%</b>	<b>6 962 096</b>	<b>53.7%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>12 114 153</b>	<b>6 353 626</b>	<b>52.4%</b>	<b>12 093 904</b>	<b>99.8%</b>	<b>12 959 696</b>	<b>1</b>	<b>6 962 096</b>	<b>53.7%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>10 015 985</b>	<b>5 106 759</b>	<b>51.0%</b>	<b>10 268 698</b>	<b>102.5%</b>	<b>11 031 308</b>	<b>85.1%</b>	<b>5 506 483</b>	<b>49.9%</b>
Compensation of employees	9 314 465	4 864 967	52.2%	9 698 929	104.1%	10 045 198	77.5%	5 167 579	51.4%
Goods and services	699 470	241 440	34.5%	569 254	81.4%	985 973	7.6%	338 769	34.4%
Interest and rent on land	2 050	352	17.2%	515	25.1%	137	0.0%	135	98.5%
<b>Transfers and subsidies</b>	<b>1 477 100</b>	<b>1 004 276</b>	<b>68.0%</b>	<b>1 428 677</b>	<b>96.7%</b>	<b>1 296 845</b>	<b>10.0%</b>	<b>1 155 977</b>	<b>89.1%</b>
Provinces and municipalities									
Departmental agencies and accounts	28 872	28 227	97.8%	28 232	97.8%	30 124	0.2%	20 003	66.4%
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	1 166 816	694 483		1 054 480		1 246 007	9.6%	1 104 871	88.7%
Households	281 412	281 566	100.1%	345 965	122.9%	20 714	0.2%	31 103	150.2%
<b>Payments for capital assets</b>	<b>621 068</b>	<b>242 591</b>	<b>39.1%</b>	<b>391 720</b>	<b>63.1%</b>	<b>631 237</b>	<b>4.9%</b>	<b>299 565</b>	<b>47.5%</b>
Buildings and other fixed structures	600 028	237 867	39.6%	381 256	63.5%	589 459	4.5%	292 286	49.6%
Machinery and equipment	17 634	4 099	23.2%	7 890	44.7%	33 778	0.3%	4 866	14.4%
Cultivated assets									
Software and other intangible assets	3 406	625	18.3%	2 574	75.6%	8 000	0.1%	2 413	30.2%
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>				<b>4 809</b>		<b>306</b>	<b>0.0%</b>	<b>71</b>	<b>23.2%</b>
<b>Total</b>	<b>12 114 153</b>	<b>6 353 626</b>	<b>52.4%</b>	<b>12 093 904</b>	<b>99.8%</b>	<b>12 959 696</b>	<b>100.0%</b>	<b>6 962 096</b>	<b>53.7%</b>

**Expenditure trends for the first six months of the 2017/18**

Expenditure in the first six months of 2017/18 amounted to R6.962 billion or 53.7 percent of the adjusted appropriation of R12.960 billion against spending of R6.354 billion or 52.4 percent of the adjusted appropriation of R12.114 billion in the 2016/17 financial year.

**Spending by Programme****Programme 1: Administration**

The overall decrease is mainly due to cost containment measures put in place and non-filling of vacancies.

**Programme 2: Public Ordinary School Education**

The percentage spending is higher than 2016/17 financial year and is due to the increase in improvement in conditions of services by 7.3percent as well as payments of accruals of first quarter of the 2017 school year in the first semester of the current financial year.

**Programme 3: Independent School Subsidies**

The percentage spending is higher than 2016/17 financial year due to payments of accruals of first quarter of 2017 school year in the first quarter of the current financial year.

**Programme 4: Public Special School Education**

The overall decrease is mainly due to cost containment measures put in place and non-filling of vacancies.

**Programme 5: Further Education and Training**

The decrease is mainly due to cash flow management. In the past the allocation towards Early Childhood Development materials for ECD community centres were claimed by centres and transferred. The Department is now responsible for purchasing supporting materials on behalf of ECD community centres which is in process of procuring for the centres.

**Programme 6: Infrastructure Development**

The increase is mainly due to accrual of 2016/17 financial year paid in 2017/18 financial year.

**Programme 7: Examination and education related services**

The decrease is mainly due to the fact that during 2016/17 financial year accrual towards provincial bursaries was paid. In the current financial the function is transferred to the Office of the Premier.

**Departmental receipts**

Table 6.4: Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Budget estimate	Adjusted estimate	Adjusted receipts estimate / Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
R thousand										
<b>Departmental receipts</b>	19 355	9 298	48.0%	20 540	106.1%	19 798	19 798	100.0%	21 335	107.8%
Tax receipts										
Sales of goods and services other than capital receipts	12 641	6 079	48.1%	12 718	100.6%	12 688	12 688	64.1%	6 939	54.7%
Transfers received				50						
Fines, penalties and forfeits	165	38	23.0%	150	90.9%	390	390	2.0%	76	19.5%
Interest, dividends and rent on land	560	341	60.9%	2 026	361.8%	380	380	1.9%	193	50.8%
Sales of capital assets										
Financial transactions in assets and liabilities	5 989	2 840	47.4%	5 596	93.4%	6 340	6 340	32.0%	14 127	222.8%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	19 355	9 298	48.0%	20 540	106.1%	19 798	19 798	100.0%	21 335	107.8%

**Revenue trends for the first six months of 2017/18**

There will be no changes regarding income collection.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds		
<b>1. Administration</b>	<b>3 992</b>				<b>714</b>		<b>714</b>	<b>4 706</b>
<b>Current</b>								
<b>Departmental Agencies &amp; Accounts</b>								
Com: Licences	37							37
Fine and penalties: Dept								
<b>Non Profit Institutions (NPI)</b>								
NPI: Donations & gifts	1 000							1 000
<b>Households</b>								
H/H Empl S/Ben: Injury on duty								
H/H: PMT/Refund & Rem-Act/Grce								
H/H: Bursaries (Non-employee)					714		714	714
H/H Empl S/Ben: Leave Gratuity	2 955							2 955
<b>2. Public Ordinary School Education</b>	<b>952 951</b>				<b>12 845</b>	<b>15 704</b>	<b>28 549</b>	<b>981 500</b>
<b>Current</b>								
<b>Non Profit Institutions (NPI)</b>								
Section 20 schools	1 793							1 793
Sect-21 schools: LTSM	235 451				( 396)		( 396)	235 055
Sect-21 schools: Utilities	338 126							338 126
Sect-21 schools: Maintenance	6 901							6 901
Sect-21 schools: NSNP	346 326				( 9 096)		( 9 096)	337 230
Sect-21 schools: Service Rendered								
Sect-21 schools: Exemption school fees	6 042					15 704	15 704	21 746
Sect-21 schools: Math & Science & Technology Grant								
Sect-21 schools: School Connectivity	2 133				927		927	3 060
Sect-21 schools: Finishing schools					7 500		7 500	7 500
Sect-21 schools: Schools of Trade					13 910		13 910	13 910
School Support (Oth Educ Instit)								
<b>Households</b>								
H/H Empl S/Ben: Leave Gratuity	16 179							16 179
<b>3. Independent School Subsidies</b>	<b>77 752</b>							<b>77 752</b>
<b>Current</b>								
<b>Non Profit Institutions (NPI)</b>								
School Support (Oth Educ Instit)	77 752							77 752
<b>4. Public Special School Education</b>	<b>70 144</b>				<b>4 296</b>	<b>14 396</b>	<b>18 692</b>	<b>88 836</b>
<b>Current</b>								
<b>Non Profit Institutions (NPI)</b>								
School Support (Oth Educ Instit)	69 828				4 296	14 396	18 692	88 520
<b>Households</b>								
H/H Empl S/Ben: Leave Gratuity	316							316
H/H Claims against the state (cash)								
<b>5. Early Childhood Development</b>	<b>19 067</b>							<b>19 067</b>
<b>Current</b>								
<b>Non Profit Institutions (NPI)</b>								
Sect-21 schools: Utilities	19 044				( 675)		( 675)	18 369
School Support (Oth Educ Instit)					675		675	675
<b>Households</b>								
H/H Empl S/Ben: Leave Gratuity	23							23

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

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds		
<b>6. Infrastructure Development</b>					1 506		1 506	1 506
<b>Current</b>								
<b>Non Profit Institutions (NPI)</b>								
Sect-21 schools:EPWP intergrated grant support					1 506		1 506	1 506
<b>7. Examination and Education Related Services</b>	113 368				10 110		10 110	123 478
<b>Current</b>								
<b>Departmental Agencies &amp; Accounts</b>								
Skills Development Levy	30 083							30 083
Com: Licences	4							4
<b>Non Profit Institutions (NPI)</b>								
Sect-21 schools:Incentives	1 500							1 500
Sect-21 schools:Matric support					20 000		20 000	20 000
Sect-21 schools:Rev:Agri Schools	3 000							3 000
Sect-21 schools:Sub-Afftd SGB's	254							254
Sect-21 schools: SYRAC					110		110	110
School Support (Oth Educ Instit)	68 000							68 000
<b>Households</b>								
H/H Empl S/Ben:Leave Gratuity	527							527
H/H: Bursaries (Non-employee)								
Pocket Money Households (Cash)								
<b>Capital</b>								
<b>Non Profit Institutions (NPI)</b>								
Sect-21 schools:Matric support	10 000				( 10 000)		( 10 000)	
<b>Total transfers and subsidies</b>	<b>1 237 274</b>				<b>29 471</b>	<b>30 100</b>	<b>59 571</b>	<b>1 296 845</b>

Table 6.6(a): Summary of changes to conditional grants

		2017/18							
		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
<b>2. Public Ordinary School Education</b>	<b>389 953</b>		<b>7 634</b>		<b>( 5 396)</b>			<b>2 238</b>	<b>392 191</b>
<b>Current</b>									
<b>Maths, Science &amp; Technology Grant</b>									
Compensation of employees									
Goods and Services	33 741		3 694					3 694	37 435
<b>National School Nutrition Programme Grant</b>									
Compensation of employees					900			900	900
Goods and Services	9 686		3 457		2 610			6 067	15 753
<b>Current Transfers and Subsidies</b>									
<b>National School Nutrition Programme Grant</b>									
Non profit institutions	346 326				( 9 096)			( 9 096)	337 230
<b>Maths, Science &amp; Technology Grant</b>									
Non profit institutions									
<b>Capital</b>									
<b>National School Nutrition Programme Grant</b>									
Machinery and Equipment	200		483		190			673	873
<b>4. Public Special School Education</b>	<b>13 568</b>				<b>396</b>			<b>396</b>	<b>13 964</b>
<b>Current</b>									
<b>Learners with profound intellectual disabilities Grant</b>									
Compensation of employees	6 253								6 253
Goods and Services	4 253								4 253
<b>Current Transfers and Subsidies</b>									
<b>National School Nutrition Programme Grant</b>									
Non profit institutions	2 200				396			396	2 596
<b>Capital</b>									
<b>Learners with profound intellectual disabilities Grant</b>									
Machinery and Equipment	862								862
<b>5. Early Childhood Development</b>	<b>1 679</b>								<b>1 679</b>
<b>Current</b>									
<b>Social Sector EPWP Incentive Grant for Provinces</b>									
Compensation of employees	1 343				( 268)			( 268)	1 075
Goods and Services	336				268			268	604
<b>6. Infrastructure Development</b>	<b>663 635</b>		<b>191 281</b>		<b>5 000</b>			<b>196 281</b>	<b>859 916</b>
<b>Current</b>									
<b>Education Infrastructure Grant</b>									
Compensation of employees	21 000				( 6 000)			( 6 000)	15 000
Goods and Services	138 332		101 203		26 000			127 203	265 535
<b>EPWP Intergrated Grant for Provinces</b>									
Goods and Services					494			494	494
<b>Current Transfers and Subsidies</b>									
<b>EPWP Intergrated Grant for Provinces</b>									
Non profit institutions					1 506			1 506	1 506
<b>Capital</b>									
<b>EPWP Intergrated Grant for Provinces</b>									
Buildings and Other Fixed Structures	2 000				( 2 000)			( 2 000)	
<b>Education Infrastructure Grant</b>									
Buildings and Other Fixed Structures	502 303		89 078		( 20 000)			69 078	571 381
Machinery and Equipment			1 000					1 000	1 000
<b>National School Nutrition Programme Grant</b>									
Buildings and Other Fixed Structures					5 000			5 000	5 000
<b>7. Examination and Education Related Services</b>	<b>13 980</b>		<b>309</b>					<b>309</b>	<b>14 289</b>
<b>Current</b>									
<b>HIV/AIDS (Lifeskills Education) Grant</b>									
Compensation of employees	1 400								1 400
Goods and Services	12 004		309					309	12 313
<b>Capital</b>									
<b>HIV/AIDS (Lifeskills Education) Grant</b>									
Machinery and Equipment	576								576
<b>Total conditional grants</b>	<b>1 082 815</b>		<b>199 224</b>					<b>199 224</b>	<b>1 282 039</b>

Table 6.6(a): Summary of changes to conditional grants

R thousand	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
Machinery and Equipment National School Nutrition Programme Grant Buildings and Other Fixed Structures			1 000					1 000	1 000
					5 000			5 000	5 000
<b>7. Examination and Education Related Services</b>	<b>13 980</b>		<b>309</b>					<b>309</b>	<b>14 289</b>
<b>Current</b>									
<b>HIV/AIDS (Lifeskills Education) Grant</b>									
Compensation of employees	1 400								1 400
Goods and Services	12 004		309					309	12 313
<b>Capital</b>									
<b>HIV/AIDS (Lifeskills Education) Grant</b>									
Machinery and Equipment	576								576
<b>Total conditional grants</b>	<b>1 082 815</b>		<b>199 224</b>					<b>199 224</b>	<b>1 282 039</b>

Table 6.6(b): Summary of changes to provincial earmarked funds

R thousand	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>1. Administration</b>	<b>1 000</b>								<b>1 000</b>
<b>Current Transfers and subsidies</b>									
<b>Non Government Organisation (Adoption)</b>									
Non-profit institutions	1 000								1 000
<b>2. Public Ordinary School Education</b>	<b>26 000</b>						<b>15 704</b>	<b>15 704</b>	<b>41 704</b>
<b>Current</b>									
<b>School Connectivity</b>									
Goods and Services	17 000				( 927)			( 927)	16 073
<b>Current Transfers and subsidies</b>									
<b>Schools Transfers</b>									
Non-profit institutions	9 000						15 704	15 704	24 704
<b>School Connectivity</b>									
Non-profit institutions					927			927	927
<b>4. Public Special School Education</b>							<b>14 396</b>	<b>14 396</b>	<b>14 396</b>
<b>Current Transfers and subsidies</b>									
<b>Schools Transfers</b>									
Non-profit institutions							14 396	14 396	14 396
<b>6. Infrastructure Development</b>	<b>16 278</b>						<b>( 1 200)</b>	<b>( 1 200)</b>	<b>15 078</b>
<b>Current</b>									
<b>Infrastructure Enhancement Allocation</b>									
Goods and Services	5 000								5 000
<b>Capital</b>									
Buildings and Other Fixed Structure	11 278						( 1 200)	( 1 200)	10 078
<b>7. Examination and Education Related Services</b>	<b>53 000</b>								<b>53 000</b>
<b>Current</b>									
<b>Hymaths</b>									
Goods and Services	19 000								19 000
<b>LTSM</b>									
Goods and Services	24 000								24 000
<b>Current Transfers and subsidies</b>									
<b>Intervention- Matric Support Programme</b>									
Non-profit institutions									
<b>Current Transfers and subsidies</b>									
<b>Intervention- Matric Support Programme</b>									
Non-profit institutions					10 000			10 000	10 000
<b>Capital Transfers and subsidies</b>									
<b>Intervention- Matric Support Programme</b>									
Non-profit institutions	10 000				( 10 000)			( 10 000)	
<b>Total earmarked funds</b>	<b>96 278</b>						<b>( 1 200)</b>	<b>30 100</b>	<b>125 178</b>

## Revised Infrastructure project list

Table 6.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>1. New infrastructure assets (R thousand)</b>															
1	Sasolburg :Kopanelang Thuto	Small Primary Schools	Fezile Dabi	Melsimaholo	Sasolburg	EIG	Individual project	Jul-11	Oct-16	Infrastructure Development	33 545	5 414			5 414
2	Welkom: Hani Park P/S	Small Primary Schools	Lejweleputswa	Matjhabeng	Welkom	EIG	Individual project	Nov-12	Feb-17		48 219	6 922	( 5 922)	1 000	
3	Bethlehem: Rehobotswe (Bohlokong P/S)	Small Primary Schools	Thabo Mofutsanyana	Ditlabeng	Bethlehem	EIG	Individual project	Sep-13	Dec-16		50 136	11 358	3 000	14 358	
4	Botshabelo: Tiholo P/S	Small Primary Schools	Mangaung Metro	Mangaung Metro	Botshabelo	EIG	Individual project	Sep-13	Dec-16		43 536	4 879	2 000	6 879	
5	Sasolburg (Amelia) Moses Masike/Bekezela	Small Primary Schools	Fezile Dabi	Melsimaholo	Sasolburg	EIG	Individual project	Apr-15	Mar-19		55 536	11 039	3 000	14 039	
6	Viljoenskroon: Dr Sello	Small Primary Schools	Fezile Dabi	Moghaka	Viljoenskroon	EIG	Individual project	Apr-16	Mar-19		40 000	9 500	( 9 499)	1	
7	Hertzogville:Malebogo	Small Primary Schools	Lejweleputswa	Tokologo	Hertzogville	EIG	Individual project	Apr-15	Mar-19		44 003	10 188	2 000	12 188	
8	Hoopstad:GM Polori	Small Primary Schools	Lejweleputswa	Tswelopele	Hoopstad	EIG	Individual project	Apr-14	Mar-17		40 000	8 980	3 000	11 980	
9	Bloemfontein: Grassland	Small Primary Schools	Mangaung Metro	Mangaung Metro	Bloemfontein	EIG	Individual project	Apr-14	Mar-17		58 007	9 025	7 000	16 025	
10	Bloemfontein: Caleb Molshabi	Small Primary Schools	Mangaung Metro	Mangaung Metro	Bloemfontein	EIG	Individual project	Apr-14	Dec-18		43 140	8 401	2 000	10 401	
11	Welkom: Silundokuhle	Small Primary Schools	Lejweleputswa	Matjhabeng	Welkom	EIG	Individual project	Apr-15	Dec-18		40 000	8 760	( 5 000)	3 760	
12	Vrede: Thembailehle	Small Primary Schools	Thabo Mofutsanyana	Phumelela	Vrede	EIG	Individual project	Apr-15	Dec-18		40 000	8 280	6 000	14 280	
13	Clocolan: Ruang Tsebo	Small Primary Schools	Thabo Mofutsanyana	Setso	Clocolan	EIG	Individual project	Apr-15	Dec-18		40 000	8 480	5 000	13 480	
14	Breda	Small Primary Schools	Thabo Mofutsanyana	Thabo Mofutsanyana	Breda	EIG	Individual project	Apr-15	Dec-18		20 000	5 000	( 4 999)	1	
15	Oranjekrag	Small Primary Schools	Xhariep	Kopanong	Oranjekrag	EIG	Individual project	Apr-15	Dec-18		15 000	2 000	( 1 999)	1	
16	Morena Tshohisi Moloi	Small Primary Schools	Thabo Mofutsanyana	Maluti A Phofung	Phuthadijhaba	EIG	Individual project	May-16	Aug-17		45 000	6 900	( 6 899)	1	
17	Vogelfontein	Small Primary Schools	Thabo Mofutsanyana	Maluti A Phofung	Vogelfontein	EIG	Individual project	Aug-16	Nov-17		30 000	6 700	( 6 699)	1	
18	Mooifontein	Small Primary Schools	Xhariep	Kopanong	Mooifontein	EIG	Individual project	Apr-15	Dec-18		30 000	7 000	2 000	9 000	
19	Welkom: Adelaide Tambo	Small Secondary Schools	Lejweleputswa	Matjhabeng	Welkom	EIG	Individual project	Apr-14	Mar-17		55 536	10 539	6 000	16 539	
20	Bloemfontein: Grassland	Small Secondary Schools	Mangaung Metro	Mangaung Metro	Bloemfontein	EIG	Individual project	Apr-14	Dec-18		53 857	10 479	3 000	13 479	
21	New Secondary School (Old Zamdela)	Small Secondary Schools	Fezile Dabi	Melsimaholo	Villiers	EIG	Individual project	Apr-16	Mar-18		40 000	9 000	( 9 000)		
22	Makabelane-New hostel	Small Secondary Schools	Thabo Mofutsanyana	Maluti A Phofung	Phuthadijhaba	EIG	Individual project	Aug-16	Nov-17		35 000	6 600	( 6 600)		
23	Sasolburg:Kahobotjha-Sakubusha	Small Secondary Schools	Fezile Dabi	Melsimaholo	Sasolburg	EIG	Individual project	Jun-11	Feb-17		41 108	1 400	2 000	3 400	
24	Thaba Nchu: Boitumelong	Specialised Schools	Mangaung Metro	Mangaung Metro	Thaba Nchu	EIG	Individual project	Apr-14	Apr-17		20 000	2 000	( 1 999)	1	
25	Trompsburg: New Special School	Specialised Schools	Xhariep	Kopanong	Trompsburg	EIG	Individual project	Apr-15	Dec-18		60 000	9 800	( 9 799)	1	
26	Leboneng	Specialised Schools	Lejweleputswa	Matjhabeng	Theurissen	EIG	Individual project	Apr-15	Dec-18		35 000	5 720	( 5 719)	1	
27	Sasolburg: Katlego-Mpumelelo	Small Secondary Schools	Fezile Dabi	Melsimaholo	Sasolburg	EIG	Individual project	Nov-16	Nov-19		60 000	9 500	( 9 499)	1	
28	Parys: New Primary	Small Primary Schools	Fezile Dabi	Ngwathe	Parys	EIG	Individual project	Nov-16	Nov-19		50 000	9 500	( 9 499)	1	
29	Parys: New Secondary	Small Secondary Schools	Fezile Dabi	Ngwathe	Parys	EIG	Individual project	Nov-16	Nov-19		60 000	11 387	( 11 387)		
30	Tweeling: New Primary	Small Primary Schools	Thabo Mofutsanyana	Matube	Tweeling	EIG	Individual project	Nov-16	Nov-19		35 000	8 500	( 8 499)	1	
31	Frankfort: Tsebo-Ulwazi	Small Secondary Schools	Fezile Dabi	Matube	Frankfort	EIG	Individual project	Nov-16	Nov-19		60 000	12 000	( 11 999)	1	
32	Bothaville: Tshehetso	Small Primary Schools	Lejweleputswa	Nala	Bothaville	EIG	Individual project	Nov-16	Nov-19		50 000	12 000	( 11 999)	1	
33	Partnerships	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Individual project	Apr-16	Mar-17		18 000	6 000	( 2 100)	3 900	
34	Final accounts/fees	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Individual project	Apr-15	Dec-18		72 998	8 000	( 8 000)		
35	Bloemfontein: Matla	Small Primary Schools	Mangaung Metro	Mangaung Metro	Bloemfontein	EIG	Individual project	Apr-15	Dec-18				5 000	5 000	
36	Mobile Kitchen	Mobile Kitchen	Xhariep	Various	Various	NSNP	Package Projects	Apr-17	Mar-18				5 000	5 000	
<b>Total new infrastructure assets</b>												<b>271 251</b>	<b>56 000</b>	<b>( 147 116)</b>	<b>180 135</b>

Table 6.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>2. Maintenance and repair (R thousand)</b>															
1	Day to day / General maintenance (Schools)	Maintenance & Repairs to facilities	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-15	Mar-18	Infrastructure Development	95 844	130 982	98 003		228 985
2	Day to day / General maintenance (Buildings)	Maintenance & Repairs to facilities	FS: Whole Province	FS: Whole Province	Various	IEA	Package Projects	Apr-15	Mar-18		11 425	5 000			5 000
3	Day to day / General maintenance (Buildings)	Maintenance & Repairs to facilities	FS: Whole Province	FS: Whole Province	Various	Equitable Share	Package Projects	Apr-15	Mar-18				3 000	( 3 000)	
<b>Total maintenance and repair</b>												<b>135 982</b>	<b>101 003</b>	<b>( 3 000)</b>	<b>233 985</b>
<b>3. Upgrades and additions (R thousand)</b>															
1	Laboratories etc.	Small Secondary Schools	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17	Infrastructure Development	179 276	13 369			13 369
2	Administration Blocks	Administration Blocks	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		392 169	14 341			14 341
3	Additional classrooms	Classrooms	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		299 610	15 388			15 388
4	Ablution facilities-Educators & Learners	Sanitation	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		210 347	14 888	3 000		17 888
5	Connection to Municipality Sewerlines	Connection to Municipality Sewerlines	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Jan-15	Mar-17		34 998	4 054			4 054
6	Conversion to full Service	Sanitation	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-14	Mar-17		67 556	7 008			7 008
7	Special Schools	Specialised Schools	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		84 307	2 500			2 500
8	Grade R Facilities	Small Primary Schools	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Jan-14	Mar-17		288 354	15 595		( 10 595)	5 000
9	Grade R Facilities	Small Primary Schools	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Jan-14	Mar-17		4 710	828			828
10	Mobile Classrooms	Mobile Classrooms	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Jun-15	Mar-17		51 078	3 350	50 000		53 350
11	Unacceptable structures	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Jun-11	Mar-16		31 597	2 000		( 1 999)	1
12	Nutrition Centres	Kitchens	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		198 218	13 081	2 000		15 081
13	Perimetre Fencing	Fencing	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		88 250	9 116		( 2 000)	7 116
14	Project Management fees: Iliso Consulting	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		53 589	4 581			4 581
15	Project Management fees: MPS Consulting	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-17		16 821	3 619			3 619
16	Bloemfontein: Eureka Hosel: Exam Printing	Office Buildings	Mangaung Metro	Mangaung Metro	Bloemfontein	EIG	Individual Project	Jun-14	Mar-18		29 863	7 363	2 000		9 363
17	Alternative Electrical supply	Electricity Supply	FS: Whole Province	FS: Whole Province	Various	EIG	Individual Project	Nov-15	Mar-17		15 000	3 000		( 2 000)	1 000
18	Provincial School Water & Sanitation Programme	Water Supply	FS: Whole Province	FS: Whole Province	Various	EIG	Individual Project	Nov-15	Mar-17		15 000	3 410			3 410
19	Partnerships: Kagiso Trust	Administration Blocks	FS: Whole Province	FS: Whole Province	Various	EIG	Individual Project	Nov-15	Mar-17		46 700	3 500		( 3 500)	
20	Partnerships: Kagiso Trust-Shanduka	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Individual Project	Nov-15	Mar-17		200 000	12 000	38 000		50 000
21	Welkom: Upgrading of Kopano Complex	Office Buildings	Lejweleputswa	Matjhabeng	Welkom	EIG	Individual Project	Jun-14	Dec-18		2 500	1 000		( 1 000)	
22	Project Management fees: Mphahleli Consulting	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-17	Mar-18				10 000		10 000
23	Project Management fees: MK & Associates Cons	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-17	Mar-18				8 000		8 000
24	Project Management fees: Nala Consulting	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-17	Mar-18				10 000		10 000
25	Project Management fees: Phetogo Consulting	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-17	Mar-18				10 000		10 000
26	Project Management fees: E'Is'ho Consulting	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-17	Mar-18				10 000		10 000
27	Upgrade of Registries - Districts	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Apr-17	Mar-18				3 000		3 000
<b>Total upgrades and additions</b>												<b>153 991</b>	<b>146 000</b>	<b>( 21 094)</b>	<b>278 897</b>

2017 Adjusted Estimates of Provincial Revenue & Expenditure

Table 6.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>4. Refurbishment and rehabilitation (R thousand)</b>															
1	Hostels	Hostels	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-18		208 576	18 415	70 000		88 415
2	Renovations	Renovations	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-18		737 216	22 228		( 1 294)	20 934
3	Math Labs	Math Labs	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Aug-12	Mar-17		352 263	16 948		( 16 948)	
4	Stormdamages	Small Primary Schools	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-18		47 242	7 000	4 000		11 000
5	Farm schools-Refurbishments	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-18		34 119	5 970		( 5 970)	
6	Facilities Management	Various	FS: Whole Province	FS: Whole Province	Various	EIG	Package Projects	Nov-15	Mar-18		36 296	6 500		( 6 500)	
7	Facilities Management	Various	FS: Whole Province	FS: Whole Province	Various	EPWP	Package Projects	Nov-15	Mar-18		5 134	2 000		( 2 000)	
8	Tempe Warehouse: General Building Roofing & Aircon Repairs	Office Buildings	Mangaung Metro	Mangaung Metro	Bloemfontein	IEA	Individual Project	Apr-16	Mar-18		1 278	1 278			1 278
9	Qwaqwa:Ex Parliament Building Electrical supply, Painting & Capentry	Office Buildings	Thabo Mofutsanyana	Thabo Mofutsanyana	Phuthadihaba	IEA	Individual Project	Jun-14	Mar-18	Infrastructure Development	1 000	1 000			1 000
10	Bethlehem: District Office Plumbing and Roofing of Admin block and Female Ablution	Office Buildings	Thabo Mofutsanyana	Dihlabeng	Bethlehem	IEA	Individual Project	Apr-16	Jun-17		600	600			600
11	Tshiy a ERC-Upgrades of Offices & Admin	Office Buildings	Thabo Mofutsanyana	Thabo Mofutsanyana	Phuthadihaba	IEA	Individual Project	Apr-17	Aug-17		2 000	2 000			2 000
12	Thejane Primary School (Motheo ERC) General Building, Roofing, Ceiling & Painting to Admin Block	Office Buildings	Mangaung Metro	Mangaung Metro	Bloemfontein	IEA	Individual Project	Apr-17	Sep-17		1 000	1 000			1 000
13	Sasolburg District Office: Major Renovation Roofing and Plumbing	Office Buildings	Fezile Dabi	Metsimaholo	Sasolburg	IEA	Individual Project	Apr-17	Sep-17		1 200	1 200		( 507)	693
14	Koffiefontein ERC Office Electrical repairs and aircon installation	Office Buildings	Xhariep	Letsemeng	Koffiefontein	IEA	Individual Project	Apr-17	Sep-17		1 000	1 000			1 000
15	Kroonstad ERC Plumbing & Electrical Repairs	Office Buildings	Fezile Dabi	Moghaka	Kroonstad	IEA	Individual Project	Apr-17	Sep-17		1 200	1 200		( 693)	507
16	Qwaqwa: Ex Parliament Building Plumbing	Office Buildings	Thabo Mofutsanyana	Thabo Mofutsanyana		IEA	Individual Project	Apr-17	Sep-17		500				
17	Welkom: Kopano Office Complex: Major Renovations	Office Buildings	Lejweleputswa	Matjhabeng	Welkom	IEA	Individual Project	Apr-17	Nov-17		2 000	2 000			2 000
18	Sasolburg Child Guidance Clinic Renovations	Office Buildings	Fezile Dabi	Metsimaholo	Sasolburg	IEA	Individual Project	Apr-17	Nov-17		1 500				
<b>Total refurbishment and rehabilitation</b>												<b>90 339</b>	<b>74 000</b>	<b>( 33 912)</b>	<b>130 427</b>
<b>TOTAL INFRASTRUCTURE</b>												<b>651 563</b>	<b>377 003</b>	<b>( 205 122)</b>	<b>823 444</b>
<b>5. Non-Infrastructure (R thousand)</b>															
1	HR Capacitation - COE	Compensation of employees	FS: Whole Province	FS: Whole Province	N/a	EIG	N/a	Apr-17	Mar-18	Infrastructure Development	162 171	21 000		( 6 000)	15 000
2	Inventory: School Furniture	School Furniture	FS: Whole Province	FS: Whole Province	N/a	EIG	N/a	Apr-17	Mar-18		85 297	7 350	25 000		32 350
3	Inventory: Distribution to schools	School Furniture	FS: Whole Province	FS: Whole Province	N/a	EPWP	N/a	Apr-17	Mar-18		256		494		494
4	Inventory: IT Equipment	IT Equipment	FS: Whole Province	FS: Whole Province	N/a	EIG	N/a	Apr-17	Mar-18		1 000		2 000		2 000
5	No Projects	Severage removal	FS: Whole Province	FS: Whole Province	N/a	EIG	N/a	Apr-17	Mar-18				3 000		3 000
6	Mobile Relocation	Mobile Classrooms	FS: Whole Province	FS: Whole Province	N/a	EIG	N/a	Apr-17	Mar-18				200		200
<b>TOTAL NON-INFRASTRUCTURE</b>												<b>28 350</b>	<b>30 694</b>	<b>( 6 000)</b>	<b>53 044</b>
<b>6. Transfer Current (R thousand)</b>															
1	HR Remuneration	Compensation of employees	FS: Whole Province	FS: Whole Province	N/a	EPWP	N/a	Apr-17	Mar-18	Infrastructure Development			1 506		1 506
<b>TOTAL TRANSFER CURRENT</b>													<b>1 506</b>		<b>1 506</b>
<b>TOTAL INFRASTRUCTURE, NON-INFRASTRUCTURE AND TRANSFER CURRENT.</b>												<b>679 913</b>	<b>409 203</b>	<b>( 211 122)</b>	<b>877 994</b>

The table below illustrates the summary of infrastructure adjustment according to infrastructure categories.

**Table 6.8: Summary of adjusted infrastructure appropriation**

2017/18			
Infrastructure	Main Appropriation	Increase/ Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>	<b>380 312</b>	<b>262 997</b>	<b>643 309</b>
Maintenance and repair	135 982	98 003	233 985
Upgrades and additions	153 991	124 906	278 897
Refurbishment and rehabilitation	90 339	40 088	130 427
<b>New infrastructure assets</b>	<b>271 251</b>	<b>( 91 116)</b>	<b>180 135</b>
<b>Infrastructure transfers</b>			
Current			
Capital			
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Total Infrastructure</b>	<b>651 563</b>	<b>171 881</b>	<b>823 444</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>	<b>135 982</b>	<b>98 003</b>	<b>233 985</b>
Compensation of employees			
Goods and Services	135 982	98 003	233 985
Interest and rent on land			
<b>Transfers and subsidies to</b>			
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households			
<b>Payments for capital assets</b>	<b>515 581</b>	<b>73 878</b>	<b>589 459</b>
Buildings and other fixed structures	515 581	73 878	589 459
Machinery and equipment			
Cultivated assets			
Software and other intangible assets			
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>651 563</b>	<b>171 881</b>	<b>823 444</b>

**VOTE 7:**  
**DEPARTMENT OF SOCIAL DEVELOPMENT**

**Vote 7****Department of Social Development****Adjusted budget summary**

R thousand	2017/18				
	Main Appropriation	Special Appropriation	Adjusted Appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>1 172 295</b>		<b>1 199 009</b>	<b>(8 404)</b>	<b>35 118</b>
<i>of which economic classification:</i>					
Current payments	726 452		720 948	(5 504)	
Transfers and subsidies	425 248		422 348	(2 900)	
Payments for capital assets	20 595		55 713		35 118
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	829 923		822 202	(7 721)	
Conditional Grants	49 710		88 645		38 935
Earmarked funds	224 681		220 181	(4 500)	
Provincial Receipts	67 981		67 981		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>1 172 295</b>		<b>1 199 009</b>	<b>(12 221)</b>	<b>38 935</b>
<b>Executive Authority</b>	<b>MEC for Social Development</b>				
<b>Accounting Officer</b>	<b>Head of Department: Department of Social Development</b>				
<b>Website address</b>	<a href="http://www.socdev.fs.gov.za">www.socdev.fs.gov.za</a>				

**Purpose**

To meet the human and social needs of the poor and vulnerable communities 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

**Adjustment Estimates of Provincial Revenue and Expenditure 2017/18**

Table 7.1(a): Adjusted Estimates per programme

Programme	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
1. Administration	250 997				6 221	(2 166)		4 055	255 052
2. Social Welfare Services	201 333				(1 521)			(1 521)	199 812
3. Children and Families	447 079				(1 249)	(10 055)		(11 304)	435 775
4. Restorative Services	131 992		38 935		(1 329)			37 606	169 598
5. Development and Research	140 894				(2 122)			(2 122)	138 772
<b>Subtotal</b>	<b>1 172 295</b>		<b>38 935</b>			<b>(12 221)</b>		<b>26 714</b>	<b>1 199 009</b>

**Economic classification**

Table 7.1(b): Adjusted Estimates by economic classification

Economic classification	Main appropriation	Special appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>726 452</b>				<b>(3 338)</b>	<b>(2 166)</b>	<b>(5 504)</b>	<b>720 948</b>	
Compensation of employees	631 264				(11 542)		(11 542)	619 722	
Goods and Services	95 188				8 204	(2 166)	6 038	101 226	
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>425 248</b>				<b>(2 900)</b>		<b>(2 900)</b>	<b>422 348</b>	
Provinces and municipalities									
Departmental agencies and accounts	1 865							1 865	
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	422 993				(5 000)		(5 000)	417 993	
Households	390				2 100		2 100	2 490	
<b>Payments for capital assets</b>	<b>20 595</b>				<b>6 238</b>	<b>(10 055)</b>	<b>35 118</b>	<b>55 713</b>	
Buildings and other fixed structures	10 055		38 935		3 200	(10 055)	32 080	42 135	
Machinery and equipment	10 540				3 038		3 038	13 578	
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>1 172 295</b>					<b>(12 221)</b>	<b>26 714</b>	<b>1 199 009</b>	

**Programme 1: Administration**

Table 7.1.1: Adjusted Estimates

Subprogramme	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand									
1. Office of the MEC	11 354				629			629	11 983
2. Corporate Management Services	136 783				10 884	(2 166)		8 718	145 501
3. District Management	102 860				(5 292)			(5 292)	97 568
<b>Total</b>	<b>250 997</b>				<b>6 221</b>	<b>(2 166)</b>		<b>4 055</b>	<b>255 052</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>239 074</b>				<b>1 683</b>	<b>(2 166)</b>		<b>(483)</b>	<b>238 591</b>
Compensation of employees	184 169				(370)			(370)	183 799
Goods and Services	54 905				2 053	(2 166)		(113)	54 792
<b>Transfers and subsidies to</b>	<b>2 158</b>				<b>1 538</b>			<b>1 538</b>	<b>3 696</b>
Provinces and municipalities									
Departmental agencies and accounts	1 865								1 865
Households	293				1 538			1 538	1 831
<b>Payments for capital assets</b>	<b>9 765</b>				<b>3 000</b>			<b>3 000</b>	<b>12 765</b>
Buildings and other fixed structures									
Machinery and equipment	9 765				3 000			3 000	12 765
<b>Payments for financial assets</b>									
<b>Total</b>	<b>250 997</b>				<b>6 221</b>	<b>(2 166)</b>		<b>4 055</b>	<b>255 052</b>

**Programme 2: Social Welfare Services**

Table 7.1.2: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
R'thousand								
1. Management and Support	8 325				(179)		(179)	8 146
2. Services to Older Persons	109 580				(685)		(685)	108 895
3. Services to Persons with Disabilities	45 645				(629)		(629)	45 016
4. HIV/AIDS	33 797				(28)		(28)	33 769
5. Social Relief	3 986							3 986
<b>Total</b>	<b>201 333</b>				<b>(1 521)</b>		<b>(1 521)</b>	<b>199 812</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>117 570</b>				<b>(1 741)</b>		<b>(1 741)</b>	<b>115 829</b>
Compensation of employees	108 137				(1 741)		(1 741)	106 396
Goods and Services	9 433							9 433
<b>Transfers and subsidies to</b>	<b>83 501</b>				<b>220</b>		<b>220</b>	<b>83 721</b>
Provinces and municipalities								
Non-profit institutions	83 418							83 418
Households	83				220		220	303
<b>Payments for capital assets</b>	<b>262</b>							<b>262</b>
Buildings and other fixed structures								
Machinery and equipment	262							262
<b>Payments for financial assets</b>								
<b>Total</b>	<b>201 333</b>				<b>(1 521)</b>		<b>(1 521)</b>	<b>199 812</b>

## Programme 3: Children and Families

Table 7.1.3: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
R'thousand								
1. Management and Support	2 300							2 300
2. Care and Services to Families	25 153							25 153
3. Child Care and Protection	91 561				(1 342)		(1 342)	90 219
4. ECD and Partial Care	246 948				71	(10 055)	(9 984)	236 964
5. Child and Youth Care Centres	71 539				22		22	71 561
5. Community Based Care Services to Chil	9 578							9 578
<b>Total</b>	<b>447 079</b>				<b>(1 249)</b>	<b>(10 055)</b>	<b>(11 304)</b>	<b>435 775</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>146 572</b>				<b>3 517</b>		<b>3 517</b>	<b>150 089</b>
Compensation of employees	130 639				(1 461)		(1 461)	129 178
Goods and Services	15 933				4 978		4 978	20 911
<b>Transfers and subsidies to</b>	<b>290 313</b>				<b>(4 788)</b>		<b>(4 788)</b>	<b>285 525</b>
Provinces and municipalities								
Non-profit institutions	290 313				(5 000)		(5 000)	285 313
Households					212		212	212
<b>Payments for capital assets</b>	<b>10 194</b>				<b>22</b>	<b>(10 055)</b>	<b>(10 033)</b>	<b>161</b>
Buildings and other fixed structures	10 055					(10 055)	(10 055)	
Machinery and equipment	139				22		22	161
<b>Payments for financial assets</b>								
<b>Total</b>	<b>447 079</b>				<b>(1 249)</b>	<b>(10 055)</b>	<b>(11 304)</b>	<b>435 775</b>

**Programme 4: Restorative Services**

Table 7.1.4: Adjusted Estimates

Subprogramme	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand									
1. Management and Support	571								571
2. Crime Prevention and Support	62 141				(5 966)			(5 966)	56 175
3. Victim Empowerment	14 258				171			171	14 429
4. Substance Abuse, Prevention and Rehab	55 022		38 935		4 466			43 401	98 423
<b>Total</b>	<b>131 992</b>		<b>38 935</b>		<b>(1 329)</b>			<b>37 606</b>	<b>169 598</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>115 671</b>				<b>(4 620)</b>			<b>(4 620)</b>	<b>111 051</b>
Compensation of employees	104 670				(5 809)			(5 809)	98 861
Goods and Services	11001				1 189			1 189	12 190
<b>Transfers and subsidies to</b>	<b>16 075</b>				<b>91</b>			<b>91</b>	<b>16 166</b>
Provinces and municipalities									
Non-profit institutions	16 075								16 075
Households					91			91	91
<b>Payments for capital assets</b>	<b>246</b>		<b>38 935</b>		<b>3 200</b>			<b>42 135</b>	<b>42 381</b>
Buildings and other fixed structures			38 935		3 200			42 135	42 135
Machinery and equipment	246								246
<b>Payments for financial assets</b>									
<b>Total</b>	<b>131 992</b>		<b>38 935</b>		<b>(1 329)</b>			<b>37 606</b>	<b>169 598</b>

**Programme 5: Development and Research**

Table 7.1.5: Adjusted Estimates

Subprogramme	2017/18								Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand									
1. Management and Support	5 083				(6)			(6)	5 077
2. Community Mobilisation	99				(99)			(99)	0
3. Institutional Capacity Building and Support	15 104				(97)			(97)	15 007
4. Poverty Alleviation and Sustainable Livelihoods	45 067				91			91	45 158
5. Community Based Research and Planning	2 764								2 764
6. Youth Development	66 990				(2 011)			(2 011)	64 979
7. Women Development	1 400								1 400
8. Population Policy Promotion	4 387								4 387
<b>Total</b>	<b>140 894</b>				<b>(2 122)</b>			<b>(2 122)</b>	<b>138 772</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>107 565</b>				<b>(2 177)</b>			<b>(2 177)</b>	<b>105 388</b>
Compensation of employees	103649				(2 161)			(2 161)	101 488
Goods and Services	3916				(16)			(16)	3 900
<b>Transfers and subsidies to</b>	<b>33 201</b>				<b>39</b>			<b>39</b>	<b>33 240</b>
Provinces and municipalities									
Non-profit institutions	33187								33 187
Households	14				39			39	53
<b>Payments for capital assets</b>	<b>128</b>				<b>16</b>			<b>16</b>	<b>144</b>
Buildings and other fixed structures									
Machinery and equipment	128				16			16	144
<b>Payments for financial assets</b>									
<b>Total</b>	<b>140 894</b>				<b>(2 122)</b>			<b>(2 122)</b>	<b>138 772</b>

**Special appropriation**

No special appropriation was allocated to the department.

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017****Roll-overs – R38.935 million**

## Programme 4: Restorative Services

R38.935 million has been rolled over for completion of the provincial substance abuse treatment center funded from the Substance Abuse Treatment Grant.

**Unforeseeable and unavoidable expenditure – R0**

No unforeseeable and unavoidable expenditure.

## Virements and shifts

Table 7.2: Details on virements and shifts

Programmes					
1. Administration		(370)	1. Administration		6 591
2. Social Welfare Services		(1 741)	2. Social Welfare Services		220
3. Children and Families		(6 461)	3. Children and Families		5 212
4. Restorative Services		(5 809)	4. Restorative Services		4 480
5. Development and Research		(2 161)	5. Development and Research		39
<b>Total</b>		<b>(16 542)</b>			<b>16 542</b>

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 4</b>		<b>(1 153)</b>	<b>Programme 1</b>		<b>1 153</b>
<b>Compensation of employees</b>	A projected saving on CoE was used to defray projected over expenditure in Programme 1 (Goods and Services).	(1 153)	<b>Goods and services</b>	A projected over expenditure in Programme 1 (Goods and Services) was defrayed.	1 153
<b>Percentage of programme budget</b>		<b>-0.9%</b>			<b>0.5%</b>
<b>Programme 4</b>		<b>(1 189)</b>	<b>Programme 4</b>		<b>1 189</b>
<b>Compensation of employees</b>	A projected saving on CoE was used to defray projected over expenditure in Programme 4 Institutions (Goods and Services).	(1 189)	<b>Goods and services</b>	A projected over expenditure in Programme 4 Institutions (Goods and Services) was defrayed.	1 189
<b>Percentage of programme budget</b>		<b>-0.9%</b>			<b>0.9%</b>
<b>Programme 4</b>		<b>(3 200)</b>	<b>Programme 4</b>		<b>3 200</b>
<b>Compensation of employees</b>	A projected saving on CoE was used to defray projected over expenditure in Programme 4 Institutions (Buildings and Other Fixed Structures).	(3 200)	<b>Buildings and Other Fixed Structures</b>	A projected over expenditure in Programme 4 Institutions (Buildings and Other Fixed Structures) was defrayed.	3 200
<b>Percentage of programme budget</b>		<b>-2.4%</b>			<b>2.4%</b>
<b>Programme 1</b>		<b>(370)</b>	<b>Programme 1</b>		<b>1 538</b>
<b>Compensation of employees</b>	A projected saving on CoE used to defray projected over expenditure on Households due to officials who have resigned, retired or passed away.	(370)	<b>Households</b>	A projected over expenditure on Households due to officials who have resigned, retired or passed away defrayed.	1 538
<b>Percentage of programme budget</b>		<b>-0.1%</b>	<b>Percentage of programme budget</b>		<b>0.6%</b>
<b>Programme 2</b>		<b>(341)</b>	<b>Programme 2</b>		<b>220</b>
<b>Compensation of employees</b>	A projected saving on CoE used to defray projected over expenditure on Households due to officials who have resigned, retired or passed away.	(341)	<b>Households</b>	A projected over expenditure on Households due to officials who have resigned, retired or passed away defrayed.	220
<b>Percentage of programme budget</b>		<b>-0.2%</b>	<b>Percentage of programme budget</b>		<b>0.1%</b>
<b>Programme 3</b>		<b>(461)</b>	<b>Programme 3</b>		<b>212</b>
<b>Compensation of employees</b>	A projected saving on CoE used to defray projected over expenditure on Households due to officials who have resigned, retired or passed away.	(461)	<b>Households</b>	A projected over expenditure on Households due to officials who have resigned, retired or passed away defrayed.	212
<b>Percentage of programme budget</b>		<b>-0.1%</b>	<b>Percentage of programme budget</b>		<b>0.0%</b>

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Compensation of employees	A projected saving on CoE used to defray projected over expenditure on Households due to officials who have resigned, retired or passed away.	(267)	Households	A projected over expenditure on Households due to officials who have resigned, retired or passed away defrayed.	91
Programme 4		(267)	Programme 4		91
Percentage of programme budget		-0.2%	Percentage of programme budget		0.1%
Programme 5		(661)	Programme 5		39
Compensation of employees	A projected saving on CoE used to defray projected over expenditure on Households due to officials who have resigned, retired or passed away.	(661)	Households	A projected over expenditure on Households due to officials who have resigned, retired or passed away defrayed.	39
Percentage of programme budget		-0.5%	Percentage of programme budget		0.0%
Programme 2		(1 400)	Programme 1		1 400
Compensation of employees	A projected saving on CoE used to defray projected over expenditure to honor contractual obligations.	(1 400)	Goods and services	A projected over expenditure to honor contractual obligations defrayed.	1 400
Percentage of programme budget		-0.7%	Percentage of programme budget		0.6%
Programme 3		(800)	Programme 1		800
Compensation of employees	A projected saving on CoE used to defray projected over expenditure to honor contractual obligations.	(800)	Goods and services	A projected over expenditure to honor contractual obligations defrayed.	800
Percentage of programme budget		-0.2%	Percentage of programme budget		0.3%
Programme 3		(200)	Programme 1		200
Compensation of employees	A projected saving on CoE used to defray projected over expenditure to honor contractual obligations.	(200)	Machinery and Equipment	A projected over expenditure to honor contractual obligations defrayed.	200
Percentage of programme budget		0.0%	Percentage of programme budget		0.1%
Programme 5		(1 500)	Programme 1		1 500
Compensation of employees	A projected saving on CoE used to defray projected over expenditure to honor contractual obligations.	(1 500)	Machinery and Equipment	A projected over expenditure to honor contractual obligations defrayed.	1 500
Percentage of programme budget		-1.1%	Percentage of programme budget		0.6%
Programme 3		(5 000)	Programme 3		5 000
Transfer and Subsidies	Funds to be reprioritised for the appointment of consultants to verify ECD centres and number of children.	(5 000)	Goods and services	Funds to be reprioritised for the appointment of consultants to verify ECD centres and number of children.	5 000
Percentage of programme budget		-1.1%	Percentage of programme budget		1.1%
<b>Total</b>		<b>(16 542)</b>			<b>16 542</b>

### Declared unspent funds – R15.221 million

#### Programme 1: Administration

- Reduction of **R2.166 million** on Goods and Services relating to maintenance.

#### Programme 3: Children and Families

- Reduction of **R10.055 million** on Buildings and Other Fixed Structures relating to the construction of two ECD centres.

### Other adjustments – R0

No other adjustments.

**Expenditure outcome for 2016/17 and actual expenditure for 2017/18**

Table 7.3: Expenditure trends

R thousand	2016/17				2017/18				
	Audited outcome				Actual expenditure				
	Adjusted appropriation	Apr 2016 - Sep 2016	Apr 2016 - Sep 2016 (% of adjusted appropriation)	Apr 2016 - Mar 2017	Apr 2016 - Mar 2017 (% of adjusted appropriation)	Adjusted appropriation	Adjusted appropriation /Total (%)	Apr 2017 - Sep 2017	Apr 2017 - Sep 2017 (% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	241 183	120 357	49.9%	243 712	101.0%	255 052	21.3%	167 289	65.6%
2. Social Welfare Services	192 399	93 764	48.7%	190 116	98.8%	199 812	16.7%	87 574	43.8%
3. Children and Families	410 204	199 787	48.7%	402 644	98.2%	435 775	36.3%	202 409	46.4%
4. Restorative Services	160 007	61 020	38.1%	121 957	76.2%	169 598	14.1%	50 549	29.8%
5. Development and Research	133 320	60 227	45.2%	132 325	99.3%	138 772	11.6%	56 468	40.7%
<b>Total</b>	<b>1 137 113</b>	<b>535 155</b>	<b>47.1%</b>	<b>1 090 754</b>	<b>95.9%</b>	<b>1 199 009</b>	<b>100.0%</b>	<b>564 289</b>	<b>47.1%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>655 074</b>	<b>326 437</b>	<b>49.8%</b>	<b>649 487</b>	<b>99.1%</b>	<b>720 948</b>	<b>60.1%</b>	<b>347 021</b>	<b>48.1%</b>
Compensation of employees	574 055	290 548	50.6%	566 444	98.7%	619 722	51.7%	304 247	49.1%
Goods and services	81 019	35 889	44.3%	83 043	102.5%	101 226	8.4%	42 774	42.3%
<b>Transfers and subsidies</b>	<b>418 346</b>	<b>194 260</b>	<b>46.4%</b>	<b>412 771</b>	<b>98.7%</b>	<b>422 348</b>	<b>35.2%</b>	<b>210 025</b>	<b>49.7%</b>
Provinces and municipalities									
Departmental agencies and accounts	40			37	92.5%	1 865	0.2%	900	48.3%
Non-profit institutions	416 952	193 455	46.4%	411 378	98.7%	417 993	34.9%	207 547	49.7%
Households	1 354	805	59.5%	1 356	100.1%	2 490	0.2%	1 578	63.4%
<b>Payments for capital assets</b>	<b>63 693</b>	<b>14 458</b>	<b>22.7%</b>	<b>25 681</b>	<b>40.3%</b>	<b>55 713</b>	<b>4.6%</b>	<b>7 243</b>	<b>13.0%</b>
Buildings and other fixed structures	53 500	9 405	17.6%	14 565	27.2%	42 135	3.5%	1 504	3.6%
Machinery and equipment	10 193	5 053	49.6%	11 116	109.1%	13 578	1.1%	5 739	42.3%
Software and other intangible assets									
<b>Payments for financial assets</b>				<b>2 815</b>	<b>0.0%</b>				
<b>Total</b>	<b>1 137 113</b>	<b>535 155</b>	<b>47.1%</b>	<b>1 090 754</b>	<b>95.9%</b>	<b>1 199 009</b>	<b>100.0%</b>	<b>564 289</b>	<b>47.1%</b>

**Expenditure trends for the first six months of 2017/18**

Expenditure in the first six months of 2017/2018 amounted to R564.289 million or 47.1 percent of the adjusted appropriation of R1.199 billion. The overall expenditure of the department in the first six months of 2017/2018 as compared to the same period in 2016/2017 stayed the same.

**Programme 1: Administration**

Expenditure in the first six months of 2017/2018 amounted to R167.289 million or 65.6 percent of the adjusted appropriation of R255.052 million compared against expenditure of R120.357 million or 49.9 percent of the adjusted appropriation of R241.183 million in 2016/2017.

**Programme 2: Social Welfare Services**

Expenditure in the first six months of 2017/2018 amounted to R87.574 million or 43.8 percent of the adjusted appropriation of R199.812 million compared against expenditure of R93.764 million or 48.7 percent of the adjusted appropriation of R192.399 million in 2016/2017.

**Programme 3: Children and Families**

Expenditure in the first six months of 2017/2018 amounted to R202.409 million or 46.4 percent of the adjusted appropriation of R435.775 million compared against expenditure of R199.787 million or 48.7 percent of the adjusted appropriation of R410.204 million in 2016/2017.

#### Programme 4: Restorative Services

Expenditure in the first six months of 2017/2018 amounted to R50.549 million or 29.8 percent of the adjusted appropriation of R169.598 million compared against expenditure of R61.020 million or 38.1 percent of the adjusted appropriation of R160.007 million in 2016/2017.

#### Programme 5: Development and Research

Expenditure in the first six months of 2017/2018 amounted to R56.468 million or 40.7 percent of the adjusted appropriation of R138.772 million compared against expenditure of R60.227 million or 45.2 percent of the adjusted appropriation of R133.320 million in 2016/2017.

### Economic Classification

#### Current Payments

Expenditure in the first six months of 2017/2018 amounted to R347.021 million or 48.1 percent of the adjusted appropriation of R720.948 million compared against expenditure of R326.437 million or 49.8 percent of the adjusted appropriation of R655.074 million in 2016/2017.

#### Transfers and subsidies

Expenditure in the first six months of 2017/2018 amounted to R210.025 million or 49.7 percent of the adjusted appropriation of R422.348 million compared against expenditure of R194.260 million or 46.4 percent of the adjusted appropriation of R418.346 million in 2016/2017.

#### Payments for capital assets

Expenditure in the first six months of 2017/2018 amounted to R7.243 million or 13 percent of the adjusted appropriation of R55.713 million compared against expenditure of R14.458 million or 22.7 percent of the adjusted appropriation of R63.693 million in 2016/2017.

### Departmental receipts

Table 7.4: Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016	Apr 2016 - Sep 2016 (% of adjusted appropriation)	Apr 2016 - Mar 2017	Apr 2016 - Mar 2017 (% of adjusted appropriation)	Budget estimate	Adjusted estimate	Adjusted receipts estimate /Total (%)	Apr 2017 - Sep 2017	Apr 2017 - Sep 2017 (% of adjusted appropriation)
R thousand										
<b>Departmental receipts</b>	<b>1 542</b>	<b>721</b>	<b>46.8%</b>	<b>3 132</b>	<b>203.1%</b>	<b>1 636</b>	<b>1 636</b>	<b>100.0%</b>	<b>487</b>	<b>29.8%</b>
Tax receipts										
Sales of goods and services other than	727	371	51.0%	731	100.6%	771	771	51.2%	374	48.5%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	24	12	50.0%	1 164	4850.0%	25	25	0.3%	2	8.0%
Sales of capital assets										
Financial transactions in assets and liabilities	791	338	42.7%	1 237	156.4%	840	840	51.3%	111	13.2%
<b>Total departmental receipts</b>	<b>1 542</b>	<b>721</b>	<b>46.8%</b>	<b>3 132</b>	<b>203.1%</b>	<b>1 636</b>	<b>1 636</b>	<b>100.0%</b>	<b>487</b>	<b>29.8%</b>

#### Revenue trends for the first six months of 2017/18

The collection of revenue in the first six month of 2017/2018 amounted to R0.487 million or 29.8 percent of the adjusted appropriation of R1.636 million compared against the collection of R0.721 million or 46.8 percent of the adjusted appropriation of R1.542 million in 2016/2017.

## Changes to transfers and subsidies, including conditional grants

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

		2017/18							
R thousand	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>1. Administration</b>	<b>293</b>				<b>1 538</b>			<b>1 538</b>	<b>1 831</b>
<b>Current</b>									
Households									
H/H Empl S/Ben:Leave Gratuity	293				1 538			1 538	1 831
<b>2. Social Welfare Services</b>	<b>83</b>				<b>220</b>			<b>220</b>	<b>303</b>
<b>Current</b>									
Households									
H/H Empl S/Ben:Leave Gratuity	83				220			220	303
<b>3. Children and Families</b>	<b>5 000</b>				<b>(4 788)</b>			<b>(4 788)</b>	<b>212</b>
<b>Current</b>									
Non Profit Institutions (NPI)									
NPI: ECD	5 000				(5 000)			(5 000)	
Households									
H/H Empl S/Ben:Leave Gratuity					212			212	212
<b>4. Restorative services</b>					<b>91</b>			<b>91</b>	<b>91</b>
<b>Current</b>									
Households									
H/H Empl S/Ben:Leave Gratuity					91			91	91
<b>5. Development and Support</b>	<b>14</b>				<b>39</b>			<b>39</b>	<b>53</b>
<b>Current</b>									
Non Profit Institutions (NPI)									
NPI:Youth Development									
Households									
H/H Empl S/Ben:Leave Gratuity	14				39			39	53
<b>Total transfers and subsidies</b>	<b>5 390</b>				<b>(2 900)</b>			<b>(2 900)</b>	<b>2 490</b>

## Changes to conditional grants

Table 7.6(a): Summary of changes to conditional grants

		2017/18							
R thousand	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>4. Restorative Services</b>			<b>38 935</b>					<b>38 935</b>	<b>38 935</b>
<b>Capital</b>									
Substance Abuse Treatment Grant									
Buildings and Other Fixed Structures			38 935					38 935	38 935
<b>Total conditional grants</b>			<b>38 935</b>					<b>38 935</b>	<b>38 935</b>

**Changes to earmarked funding**

2017/18									
R thousand			Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>3. Children and Families</b>	<b>5 000</b>							<b>5 000</b>	
<b>Current</b>									
Early Childhood Development Goods and Services					5 000			5 000	
Early Childhood Development Transfers and Subsidies	5 000				(5 000)			(5 000)	
<b>3. Children and Families</b>	<b>4 500</b>					<b>(4 500)</b>		<b>(4 500)</b>	
<b>Capital</b>									
Early Childhood Development Buildings and Other Fixed Structures	4 500					(4 500)		(4 500)	
<b>Total earmarked funds</b>	<b>9 500</b>					<b>(4 500)</b>		<b>5 000</b>	

### Revised Infrastructure project list

Table 7.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Expenditure (from start of project until 31 March 2017)	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18	Expenditure as at 30 September 2017
								Date: Start	Date: Finish					Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)		
<b>1. New infrastructure assets (R thousand)</b>																	
1	FS Substance Abuse Treatment Centre	Drug Rehab Centre	Mangaung Metro	Mangaung Metro	Botshabelo	Conditional Grant	Individual project	2014	2018	Restorative Services	71 266	16 833		38 935		38 935	1 504
2	Early Childhood Development	ECD Centre	Mangaung Metro	Mangaung Metro	Botshabelo	Equitable Share	Individual project	2017	2018	Children and Families			5 555		(5 555)		
3	Early Childhood Development	ECD Centre	Thabo Mofutsanyana	Dihlabeng	Vogelfontein	Earmarked Funding	Individual project	2017	2018	Children and Families			4 500		(4 500)		
<b>Total new infrastructure assets</b>											<b>71 266</b>	<b>16 833</b>	<b>10 055</b>	<b>38 935</b>	<b>(10 055)</b>	<b>38 935</b>	<b>1 504</b>
<b>2. Maintenance and repair (R thousand)</b>																	
1	Day to day maintenance	Day to day maintenance	FS Whole Province	FS Whole Province		Equitable Share	Individual project	Ongoing	Ongoing	Administration			5 415		(2 166)	3 249	917
<b>Total maintenance and repair</b>													<b>5 415</b>		<b>(2 166)</b>	<b>3 249</b>	<b>917</b>
<b>TOTAL INFRASTRUCTURE</b>											<b>71 266</b>	<b>16 833</b>	<b>15 470</b>	<b>38 935</b>	<b>(12 221)</b>	<b>42 184</b>	<b>2 421</b>

Table 7.8 Summary of adjusted infrastructure appropriation

2017/18			
Infrastructure	Main Appropriation	Increase/ Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>	5 415	(2 166)	3 249
Maintenance and repair	5 415	(2 166)	3 249
Upgrades and additions			
Refurbishment and rehabilitation			
<b>New infrastructure assets</b>	10 055	28 880	38 935
<b>Infrastructure transfers</b>			
Current			
Capital			
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Total Infrastructure</b>	<b>15 470</b>	<b>26 714</b>	<b>42 184</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>	5 415	(2 166)	3 249
Compensation of employees			
Goods and Services	5 415	(2 166)	3 249
Interest and rent on land			
<b>Transfers and subsidies to</b>			
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households			
<b>Payments for capital assets</b>	10 055	28 880	38 935
Buildings and other fixed structures	10 055	28 880	38 935
Machinery and equipment			
Cultivated assets			
Software and other intangible assets			
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>15 470</b>	<b>26 714</b>	<b>42 184</b>



**VOTE 8:**  
**DEPARTMENT OF COOPERATIVE  
GOVERNANCE & TRADITIONAL AFFAIRS**

**Vote 8****Department of Cooperative Governance and Traditional Affairs****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>407 187</b>	<b>-</b>	<b>404 743</b>	<b>(13 755)</b>	<b>11 311</b>
<b>of which economic classification:</b>					
Current payments	342 384		340 210	(3 720)	1 546
Transfers and subsidies	54 646		61 148	(3 263)	9 765
Payments for capital assets	10 157		3 385	(6 772)	
Payments for financial assets					
<b>of which source of funding:</b>					
Equitable Share	286 153		283 811	(8 755)	6 413
Conditional Grants					
Earmarked funds	40 381		40 279	(5 000)	4 898
Provincial Receipts	80 653		80 653		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>407 187</b>		<b>404 743</b>	<b>(13 755)</b>	<b>11 311</b>
<b>Executive Authority</b>	<b>MEC for Co-operative Governance and Traditional Affairs</b>				
<b>Accounting Officer</b>	<b>Head of Department: Co-operative Governance and Traditional Affairs</b>				
<b>Website address</b>	<a href="http://www.fscogta.gov.za">www.fscogta.gov.za</a>				

**Aim**

Integrated, responsive and developmental local governance.

**Changes to programme purposes, objectives and measures**

None

**Adjusted Estimates of Provincial Expenditure 2017**

Table 8.1(a): Adjusted Estimates per programme

2017/18									
Programme	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments			
R'thousand									
1. Administration	139 703				(9 594)			(9 594)	130 109
2. Local Governance	122 653				12 534	(244)		12 290	134 943
3. Development and Planning	91 706				(4 103)	(1 000)		(5 103)	86 603
4. Traditional Institutional Management	42 818				365	(200)		165	42 983
5. House of Traditional Leaders	10 307				798	(1 000)		(202)	10 105
<b>Subtotal</b>	<b>407 187</b>					<b>(2 444)</b>		<b>(2 444)</b>	<b>404 743</b>

## Economic classification

Table 8.1(b): Adjusted Estimates by economic classification

2017/18									
Economic classification	Main appropriation	Special appropriation	Adjustments Appropriation					Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand									
<b>Current payments</b>	<b>342 384</b>				<b>270</b>	<b>(2 444)</b>		<b>(2 174)</b>	<b>340 210</b>
Compensation of employees	213 234				1 500	(2 444)		(944)	212 290
Goods and Services	129 150				(1 276)			(1 276)	127 874
Interest and rent on land					46			46	46
<b>Transfers and subsidies to</b>	<b>54 646</b>				<b>6 502</b>			<b>6 502</b>	<b>61 148</b>
Provinces and municipalities	50 607				(3 263)			(3 263)	47 344
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	2 825				291			291	3 116
Households	1 214				9 474			9 474	10 688
<b>Payments for capital assets</b>	<b>10 157</b>				<b>(6 772)</b>			<b>(6 772)</b>	<b>3 385</b>
Building and other fixed structure									
Machinery and equipment	10 157				(6 772)			(6 772)	3 385
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>407 187</b>					<b>(2 444)</b>		<b>(2 444)</b>	<b>404 743</b>

**Programme 1: Administration****Table 8.1.1: Adjusted Estimates**

		2017/18						
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	12 888				(507)		(507)	12 381
2. Corporate Services	126 815				(9 087)		(9 087)	117 728
<b>Total</b>	<b>139 703</b>				<b>(9 594)</b>		<b>(9 594)</b>	<b>130 109</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>135 787</b>				<b>(9 042)</b>		<b>(9 042)</b>	<b>126 745</b>
Compensation of employees	77 757				1 500		1 500	79 257
Goods and Services	58 030				(10 543)		(10 543)	47 487
Interest and rent on land					1		1	1
<b>Transfers and subsidies to</b>	<b>1 203</b>							<b>1 203</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 000							1 000
Households	203							203
<b>Payments for capital assets</b>	<b>2 713</b>				<b>(552)</b>		<b>(552)</b>	<b>2 161</b>
Buildings and other fixed structures								
Machinery and equipment	2 713				(552)		(552)	2 161
<b>Payments for financial assets</b>								
<b>Total</b>	<b>139 703</b>				<b>(9 594)</b>		<b>(9 594)</b>	<b>130 109</b>

**Programme 2: Local Governance****Table 8.1.2: Adjusted Estimates**

2017/18								
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. Municipal Administration	17 702			(1 061)			(1 061)	16 641
2. Municipal Finance	69 416			9 464			9 464	78 880
3. Public Participation	17 605			5 790			5 790	23 395
4. Capacity Development	8 945			(743)			(743)	8 202
5. Municipal Performance, Monitoring, Repo	8 985			(916)	(244)		(1 160)	7 825
<b>Total</b>	<b>122 653</b>			<b>12 534</b>	<b>(244)</b>		<b>12 290</b>	<b>134 943</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>77 582</b>			<b>(263)</b>	<b>(244)</b>		<b>(507)</b>	<b>77 075</b>
Compensation of employees	44 477				(244)		(244)	44 233
Goods and Services	33 105			(308)			(308)	32 797
Interest and rent on land				45			45	45
<b>Transfers and subsidies to</b>	<b>43 780</b>			<b>13 455</b>			<b>13 455</b>	<b>57 235</b>
Provinces and municipalities	42 135			5 000			5 000	47 135
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	1 327			(1 327)			(1 327)	
Households	318			9 782			9 782	10 100
<b>Payments for capital assets</b>	<b>1 291</b>			<b>(658)</b>			<b>(658)</b>	<b>633</b>
Buildings and other fixed structures								
Machinery and equipment	1 291			(658)			(658)	633
<b>Payments for financial assets</b>								
<b>Total</b>	<b>122 653</b>			<b>12 534</b>	<b>(244)</b>		<b>12 290</b>	<b>134 943</b>

**Programme 3: Development and Planning****Table 8.1.3: Adjusted Estimates**

								*2017/18	
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. Spatial Planning	26 287				(3 243)	(1 000)	(4 243)	22 044	
2. Local Economic Development (LED)	7 065				(1 524)		(1 524)	5 541	
3. Municipal Infrastructure	43 899				6 929		6 929	50 828	
4. Disaster Management	14 455				(6 265)		(6 265)	8 190	
<b>Total</b>	<b>91 706</b>				<b>(4 103)</b>	<b>(1 000)</b>	<b>(5 103)</b>	<b>86 603</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>77 309</b>				<b>9 576</b>	<b>(1 000)</b>	<b>8 576</b>	<b>85 885</b>	
Compensation of employees	43 072					(1 000)	(1 000)	42 072	
Goods and Services	34 237				9 576		9 576	43 813	
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>8 583</b>				<b>(8 232)</b>		<b>(8 232)</b>	<b>351</b>	
Provinces and municipalities	8 472				(8 263)		(8 263)	209	
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	111				31		31	142	
<b>Payments for capital assets</b>	<b>5 814</b>				<b>(5 447)</b>		<b>(5 447)</b>	<b>367</b>	
Transport equipment	5 000				(5 000)		(5 000)		
Machinery and equipment	814				(447)		(447)	367	
<b>Payments for financial assets</b>									
<b>Total</b>	<b>91 706</b>				<b>(4 103)</b>	<b>(1 000)</b>	<b>(5 103)</b>	<b>86 603</b>	

**Programme 4: Traditional Institutional Management****Table 8.1.4: Adjusted Estimates**

2017/18								
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. Traditional Institutional Management	42 818				365	(200)	165	42 983
<b>Total</b>	<b>42 818</b>				<b>365</b>	<b>(200)</b>	<b>165</b>	<b>42 983</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>41 787</b>				<b>(612)</b>	<b>(200)</b>	<b>(812)</b>	<b>40 975</b>
Compensation of employees	39 645					(200)	(200)	39 445
Goods and Services	2 142				(612)		(612)	1 530
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>741</b>				<b>1 053</b>		<b>1 053</b>	<b>1 794</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	498				1 053		1 053	1 551
Households	243							243
<b>Payments for capital assets</b>	<b>290</b>				<b>(76)</b>		<b>(76)</b>	<b>214</b>
Buildings and other fixed structures								
Machinery and equipment	290				(76)		(76)	214
<b>Payments for financial assets</b>								
<b>Total</b>	<b>42 818</b>				<b>365</b>	<b>(200)</b>	<b>165</b>	<b>42 983</b>

**Programme 5: House of Traditional Leaders****Table 8.1.5: Adjusted Estimates**

2017/18								
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. House of Traditional Leaders	10 307			798	(1 000)		(202)	10 105
<b>Total</b>	<b>10 307</b>			<b>798</b>	<b>(1 000)</b>		<b>(202)</b>	<b>10 105</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>9 919</b>			<b>611</b>	<b>(1 000)</b>		<b>(389)</b>	<b>9 530</b>
Compensation of employees	8 283				(1 000)		(1 000)	7 283
Goods and Services	1 636			611			611	2 247
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>339</b>			<b>226</b>			<b>226</b>	<b>565</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions				565			565	565
Households	339			(339)			(339)	
<b>Payments for capital assets</b>	<b>49</b>			<b>(39)</b>			<b>(39)</b>	<b>10</b>
Buildings and other fixed structures								
Machinery and equipment	49			(39)			(39)	10
<b>Payments for financial assets</b>								
<b>Total</b>	<b>10 307</b>			<b>798</b>	<b>(1 000)</b>		<b>(202)</b>	<b>10 105</b>

Virements and shifts

Table 8.2: Details on virements and shifts

\*2017/18

Programmes Summary					
1.Administration		(11 095)			1 501
2.Local Governance		(2 293)			14 827
3.Development and Planning		(13 710)			9 607
4.Traditional Institutional Management		(688)			1 053
5. House of Traditional Leaders		(378)			1 176
<b>Total</b>		<b>(28 164)</b>			<b>28 164</b>
<b>FROM:</b>			<b>TO:</b>		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1</b>		<b>(11 095)</b>	<b>Programme 1</b>		<b>1 501</b>
<b>Goods and services</b>	Reprioritisation of funds identified to accommodate spending within Programme 1 under interest , rent on land, goods and services to an amount of R331 thousand, R9,035 million for goods and services under Programme 2, R1,507 million for goods and services under Programme 3, R365 thousand for transfer and subsidies under Programme 4, R269 thousand for transfer and subsidies under Programme 5	(10 543)	<b>Compensation</b>	Provision made for learnerships and interns. An amount of R972 thousand was allocated from Programme 2 and R610 from programme 3 for audit fees. An amount of R1.5 million was shifted from A&S/O Services: support staff.	1 500
<b>Machinery and equipment</b>	Provision made for Adit Fees within Programme 1 by sub-programmes	(552)	<b>Goods and services</b>	Provision made for interest and rent on land	1
			<b>Programme 2</b>		<b>9 035</b>
			<b>Goods and services</b>	Provision totaling to an amount of R8,506 million was made for consultants, communication and financial management.	9 035
			<b>Programme 3</b>		<b>1 507</b>
			<b>Goods and services</b>	Provision totaling to an amount of R1,507 million was made for consultants project management	1 507
			<b>Machinery and equipment</b>		
			<b>Programme 4</b>		<b>365</b>
			<b>Transfer and subsidies</b>	Provision was made for once-off gratuity to Traditional Leaders.	365
			<b>Programme 5</b>		<b>269</b>
			<b>Transfer and subsidies</b>	Provision was made for once-off gratuity to members of the House of Traditional Leaders.	269
<b>Percentage of programme budget</b>		<b>-7,94%</b>			
<b>Programme 2</b>		<b>(2 293)</b>	<b>Programme 2</b>		<b>792</b>
<b>Goods and services</b>	Reprioritisation of funds identified to accommodate spending within Programme 2 under interest , rent on land, goods and services to an amount of R45 thousand, R8,455 million transfers and subsidies for claims against the state and R314 thousand for machinery and equipment.	(308)	<b>Goods and services</b>	Provision made for interest and rent on land	45
<b>Transfer and subsidies</b>	Funds earmarked for non prov it institutions of R1,264 million utilised within Programme 2 and R7,882 million were utilised for municipal support and financial assistance and R4,5 million was utilised by programme 3 for municipal sustainability.	(1 327)	<b>Transfer and subsidies</b>	Provision made for households, claims against the state	433
<b>Machinery and equipment</b>	Savings identified utilised for contractors: event promoters under programme 1	(658)	<b>Machinery and equipment</b>	Funds allocated was utilised for computer and office equipment as capital items	314
			<b>Programme 5</b>		<b>529</b>
			<b>Goods and services</b>	Provision totaling to an amount of R1 million was made for contractors event promoters.	529
<b>Percentage of programme budget</b>		<b>-1,87%</b>			
<b>Programme 3</b>		<b>(13 710)</b>	<b>Programme 2</b>		<b>5 000</b>
<b>Goods and services</b>			<b>Transfer and subsidies</b>	Funds of R5 million to be utilised for municipal support	5 000
<b>Transfer and subsidies</b>	From programme 3, funds to an amount of R2,800 million was reprioritised from MIG conditional grant to project management under goods and services, and R5.3 million was re-allocated to municipal sustainability. The amount of R31 thousand was allocated for households leave gratuity and R163 thousand was utilised within the programme for machinery and equipment.	(8 263)	<b>Programme 3</b>		<b>8 100</b>
<b>Machinery and equipment</b>	Re-allocation of earmarked funds for firefighting equipment under Disaster Management to an amount of R5 million for municipal support under programme 2 and R447 thousand utilised for audit fees under programme 1	(5 447)	<b>Goods and services</b>	Within programme 3, funds was allocated to contractors, project management (Cleaning and suction of VIP toilets) and municipal sustainability.	8 069
			<b>Transfer and subsidies</b>	Provision was made for household leave gratuity	31
<b>Percentage of programme budget</b>		<b>-14,95%</b>			
<b>Programme 4</b>		<b>(688)</b>	<b>Programme 4</b>		<b>688</b>
<b>Goods and services</b>	Provision was made for once-off gratuity to Traditional Leaders.	(612)	<b>Goods and services</b>	Funds utilised for operational cost under goods and services within the programme	76
<b>Machinery and equipment</b>	Reprioritised for operational cost under goods and services within the programme	(76)	<b>Transfer and subsidies</b>	Provision was made for once-off gratuity to Traditional Leaders.	612
<b>Percentage of programme budget</b>		<b>-1,61%</b>			
<b>Programme 5</b>		<b>(378)</b>	<b>Programme 5</b>		<b>378</b>
<b>Transfer and subsidies</b>	Savings identified under households, leave gratuity was utilised for event promoters within the programme.	(339)	<b>Goods and services</b>	Provision was made for contractors, event promoters	82
<b>Machinery and equipment</b>	Savings identified under households, leave gratuity was utilised for event promoters within the programme.	(39)	<b>Transfer and subsidies</b>	Provision was made for once-off gratuity to Traditional Leaders.	296
<b>Percentage of programme budget</b>		<b>-3,67%</b>			
<b>Total</b>		<b>(28 164)</b>			<b>28 164</b>

**Declared Savings: R 2.444 million**

The amount totalling **R 2.444 million** was declared as savings under compensation of employees by the department as follows:

Programme 2: Local Governance	R 0.244 million
Programme 3: Development and Planning	R 1.000 million
Programme 4: Traditional Institutional Management	R 0.200 million
Programme 5: House of Traditional Leaders	R 1.000 million
<b>Total</b>	<b>R 2.444 million</b>

**Other adjustments: R0**

No other adjustments

**Expenditure 2016/17 and preliminary expenditure 2017/18**

Table 8.3: Expenditure trends

R thousand	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Adjusted appropriation	Adjusted appropriation / Total (%)	Apr 2017 - Sep 2017	
		Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)			Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	133 889	65 410	48,85%	128 619	96,06%	130 109	32,15%	64 854	49,85%
2. Local Governance	132 767	91 407	68,85%	166 848	125,67%	134 943	33,34%	75 398	55,87%
3. Development and Planning	108 983	65 611	60,20%	99 561	91,35%	86 603	21,40%	33 480	38,66%
4. Traditional Institutional Management	43 409	19 629	45,22%	42 421	97,72%	42 983	10,62%	20 053	46,65%
5. House of Traditional Leaders	9 782	4 972	50,83%	8 469	86,58%	10 105	2,50%	4 837	47,87%
<b>Subtotal</b>	<b>428 830</b>	<b>247 029</b>	<b>57,61%</b>	<b>445 918</b>	<b>103,98%</b>	<b>404 743</b>	<b>100,00%</b>	<b>198 622</b>	<b>49,07%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>428 830</b>	<b>247 029</b>	<b>57,61%</b>	<b>445 918</b>	<b>103,98%</b>	<b>404 743</b>	<b>100,00%</b>	<b>198 622</b>	<b>49,07%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>369 973</b>	<b>203 233</b>	<b>54,93%</b>	<b>357 138</b>	<b>96,53%</b>	<b>340 210</b>	<b>84,06%</b>	<b>151 940</b>	<b>44,66%</b>
Compensation of employees	201 708	97 547	48,36%	195 649	97,00%	212 290	52,45%	103 203	48,61%
Goods and services	168 240	105 669	62,81%	161 287	95,87%	127 874	31,59%	48 692	38,08%
Interest and rent on land	25	17	68,00%	202	808,00%	46	0,01%	45	97,83%
<b>Transfers and subsidies</b>	<b>48 782</b>	<b>36 916</b>	<b>75,68%</b>	<b>72 667</b>	<b>148,96%</b>	<b>61 148</b>	<b>15,11%</b>	<b>45 408</b>	<b>74,26%</b>
Provinces and municipalities	47 227	36 174	76,60%	66 926	141,71%	47 344	11,70%	34 829	73,57%
Departmental agencies and accounts				3					
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	283	218		422		3 116	0,77%	204	6,55%
Households	1 272	524	41,19%	5 316	417,92%	10 688	2,64%	10 375	97,07%
<b>Payments for capital assets</b>	<b>10 075</b>	<b>6 865</b>	<b>68,14%</b>	<b>16 047</b>	<b>159,28%</b>	<b>3 385</b>	<b>0,84%</b>	<b>1 273</b>	<b>37,61%</b>
Buildings and other fixed structures									
Machinery and equipment	10 067	6 857	68,11%	16 039	159,32%	3 385	0,84%	1 273	37,61%
Cultivated assets									
Software and other intangible assets	8	8	100,00%	8	100,00%				
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>		<b>15</b>		<b>66</b>				<b>1</b>	
<b>Total</b>	<b>428 830</b>	<b>247 029</b>	<b>57,61%</b>	<b>445 918</b>	<b>103,98%</b>	<b>404 743</b>	<b>100,00%</b>	<b>198 622</b>	<b>49,07%</b>

## **Main expenditure trends for the first half of the 2017/18 financial year**

### **Programme 1: Administration**

Spending of 49.9 per cent of the adjusted allocated amount of R130.109 million for the first six months of the financial year was due to slow spending under goods and services, items - Government Garage Fleet Services and Operating Leases and F/Ser Kilometers: Government. The expenditure projected in the second term is 51.1 per cent. In comparison with the previous financial year, there is a decrease of 1 per cent due to expenditure which is closely monitored in line with Cost Containment Measures.

### **Programme 2: Local Governance**

In the first six months of the financial year, 55.9 per cent of the adjusted allocated amount of R134.943 million was spent. It is projected that 44.1 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, the spending pattern decrease with 13 per cent mainly due to Operation Clean Audit and financial assistance to municipalities.

### **Programme 3: Development and Planning**

In the first half of the 2017/18 financial year, 38.7 per cent of the adjusted allocated amount of R86.603 million was spent. It is projected that 61.3 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 a decrease in spending of 22 per cent due to funds allocated for payment of contractors and technical support to Provincial municipalities.

### **Programme 4: Traditional Institutional Management**

Traditional Affairs spent 46.7 per cent of the adjusted allocated funds of R42.983 million in the first six months. It is projected that 53.3 per cent of the funds will be spent within the remaining months of the financial year. Operational costs are expected to increase as a result of upcoming traditional ceremonies before March 2018 and the implementation of increases in allowances of Traditional Leaders. In comparison with the previous financial year, there is an increase of 1.4 per cent in spending due to expenses which are closely monitored in line with Cost Containment Measures.

### **Programme 5: House of Traditional Leaders**

The House of Traditional Leaders spent 47.9 per cent of the adjusted allocated funds of R10.105 million in the first six months of the 2017/18 financial year. The Programme projects to spend 52.1 per cent of the funds within the remaining months of the financial year. Operational cost will increase with the upcoming traditional ceremonies in the remaining six months of the 2017/18 financial year and the opening of the House of Traditional Leaders in March 2018. In comparison with the previous financial year, the spending pattern decrease with 3 per cent due to spending with the inauguration of the King of the House of Traditional Leaders, still had to be paid from the item contractors: event promoters.

## Economic Classification

### Current payments

The Department has spent 44.7 per cent of the adjusted allocated amount of R340.210 million under Current payments for the 2017/18 financial year. The Department closely monitor expenditure particularly under compensation of employees as the Department has appointed security learnership personnel on a contract basis. There has been a decrease of 10.3 per cent of spending in comparison with the previous financial year. The Department projects to spend 55.3 per cent as at end March 2018 due to departmental activities planned for the remainder of the financial year.

### Transfers and subsidies

The spending of 74.3 per cent on the adjusted allocated amount of R45.408 million on transfers and subsidies 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. There was a decrease of 1.4 per cent in comparison with the previous financial year expenditure. The Department projects to fully spend the allocation under Transfers and subsidies as it continues to maintain fiscal discipline and support distressed municipalities within the Province.

### Payments for capital assets

The Department has spent 68.1 per cent on the adjusted allocation of R3.385 million under payment for capital assets in the first six months of the 2017/18 financial year. The increased spending of 30.5percent can be attributed mainly to the procurement of computer equipment and office furniture in line with the Cost Containment measures on all Programmes

## Departmental receipts

**Table 8.4 Expenditure trends**

Table 8.4: Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Budget estimate	Adjusted estimate	Adjusted estimate /Total (%)	Apr 2017 - Sep 2017	
		Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted estimate)				Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Departmental receipts</b>	<b>200</b>	<b>88</b>	<b>44.00%</b>	<b>509</b>	<b>254.50%</b>	<b>212</b>	<b>212</b>	<b>100.00%</b>	<b>81</b>	<b>38.21%</b>
Tax receipts										
Sales of goods and services other than capital receipts	120	75	62.50%	132	110.00%	127	127	59.91%	57	44.88%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	9	6	66.67%	9	100.00%	10	10	4.72%	5	50.00%
Sales of capital assets				1						
Financial transactions in assets and liabilities	71	7	9.86%	367	516.90%	75	75	35.38%	19	25.33%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	<b>200</b>	<b>88</b>	<b>44.00%</b>	<b>509</b>	<b>254.50%</b>	<b>212</b>	<b>212</b>	<b>100.00%</b>	<b>81</b>	<b>38.21%</b>

### Main departmental revenue trends for the first half of 2017/18

- There is no programme within the Department that is linked to any business initiative for generating revenue.
- Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) is a national law that was passed by parliament in 2013. From 1 July 2015 all land use applications are submitted to the local municipalities.
- Spatial Planning Directorate is also in the process of discussing the draft Provincial Legislation on land use and planning matters.
- Spatial Planning need to finalize all the land use applications as soon as possible as the term of office of the Townships Board (also known as the Land Use Advisory Board) appointed by the MEC: COGTA which will lapse on 31 March 2017.

### Changes to transfers and subsidies, including conditional grants

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

R thousand	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>1. Administration</b>	<b>1 203</b>								<b>1 203</b>
<b>Current</b>									
Households Empls/Ben: Leave Gratuity	203								203
Households Donations & Gifts (Cash)									
Households Empls/Ben: Injury on Duty									
NPI:PMT/Refund & Rem-Act/Grace NPI	1 000								1 000
<b>2. Local Governance</b>	<b>43 780</b>				<b>13 455</b>			<b>13 455</b>	<b>57 235</b>
<b>Current</b>									
Households Empls/Ben: Leave Gratuity	318				(318)			(318)	
Households Empls/Ben: Injury on Duty									
Households Donations & Gifts (Cash)									
Households Claims against the state (Cash)					10 100			10 100	10 100
NPI:PMT/Refund & Rem-Act/Grace NPI	1 327				(1 327)			(1 327)	
Mun B/Acc: Mun Conditional Grant	42 135				5 000			5 000	47 135
<b>3. Development and Planning</b>	<b>8 583</b>				<b>(8 232)</b>			<b>(8 232)</b>	<b>351</b>
<b>Current</b>									
Households Empls/Ben: Leave Gratuity	109				33			33	142
Households Empls/Ben: Injury on Duty	2				(2)			(2)	
Households Donations & Gifts (Cash)									
Households Empls/Ben: PST Retirement Benefit									
<b>Capital</b>									
Mun B/Acc: Mun Conditional Grant	8 472				(8 263)			(8 263)	209
<b>4. Traditional Institutional Management</b>	<b>741</b>				<b>1 053</b>			<b>1 053</b>	<b>1 794</b>
<b>Current</b>									
NPI:PMT/Refund & Rem-Act/Grace NPI	498				1 053			1 053	1 551
Households Empls/Ben: Leave Gratuity	243				(90)			(90)	153
Households Empls/Ben: Injury on Duty									
Households Donations & Gifts (Cash)					90			90	90
<b>5. House of Traditional Leaders</b>	<b>339</b>				<b>226</b>			<b>226</b>	<b>565</b>
<b>Current</b>									
Households PMT/Refund & Rem-Act/Grace					565			565	565
Households Empls/Ben: Injury on Duty									
Households Donations & Gifts (Cash)									
Households Empls/Ben: Leave Gratuity	339				(339)				
<b>Total transfers and subsidies</b>	<b>54 646</b>				<b>6 502</b>			<b>6 502</b>	<b>61 148</b>

**Summary of changes to conditional grants:**

None

**Summary of changes to provincial earmarked funds and other priorities:**

**Table 8.6(b): Summary of changes to provincial earmarked funds and other priorities**

		2017/18							
		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
<b>1. Administration</b>	<b>1 000</b>								<b>1 000</b>
<b>Economic sphere</b>									
<b>Current</b>									
NGO Adoptiobn	1 000								1 000
NPI: PMT/REFUND&REM- ACT/GRACE NPI									
<b>2. Local Governance</b>	<b>20 381</b>				<b>4 898</b>			<b>4 898</b>	<b>25 279</b>
<b>Economic sphere</b>									
<b>Current</b>									
Operation Clean Audit	20 381				4 898			4 898	25 279
CNS: Bus & Adv Ser: Fin Management									
<b>3. Local Governance</b>	<b>9 000</b>								<b>9 000</b>
<b>Economic sphere</b>									
<b>Transfers and subsidies</b>									
Municipal Support Programme	9 000								9 000
Mun B/Acc: Mun Conditional Grant									
<b>4. Development and Planning</b>	<b>5 000</b>				<b>(5 000)</b>			<b>(5 000)</b>	
<b>Economic sphere</b>									
<b>Capital</b>									
Firefighting Equipment	5 000				(5 000)			(5 000)	
Machinery & Equipment: Vehicles									
<b>5. Development and Planning</b>	<b>5 000</b>								<b>5 000</b>
<b>Economic sphere</b>									
<b>Current</b>									
Water Laboratory Municipal Support	5 000								5 000
CNS: Bus & Adv Ser: PRJ Management									
<b>Total earmarked funds</b>	<b>40 381</b>				<b>(102)</b>			<b>(102)</b>	<b>40 279</b>

**Changes in Programme Structure:**

None

**Revised Infrastructure Project List:**

None

**Summary of Adjusted Infrastructure Appropriation:**

None

**Aid Assistance**

None

**VOTE 9:**  
**DEPARTMENT OF PUBLIC WORKS &  
INFRASTRUCTURE**

**Vote 9****Department of Public Works & Infrastructure****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>1 522 356</b>		<b>1 532 534</b>	<b>(12 876)</b>	<b>23 054</b>
<b>of which economic classification:</b>					
Current payments	958 431		977 174	(4 311)	23 054
Transfers and subsidies	349 655		349 655		
Payments for capital assets	214 270		205 705	(8 565)	
Payments for financial assets					
<b>of which source of funding:</b>					
Equitable Share	903 102		916 178	(9 978)	23 054
Conditional Grants	10 900		10 900		
Earmarked funds	508 923		506 025	(2 898)	
Provincial Receipts	99 431		99 431		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>1 522 356</b>		<b>1 532 534</b>	<b>(12 876)</b>	<b>23 054</b>

Executive Authority

MEC for Public Works and Infrastructure

Accounting Officer

Head of Department: Public Works and Infrastructure

Website address

[www.fsworks.gov.za](http://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 2017/18 financial year. All programmes remain as per the tabled Annual Performance Plan.

**Adjusted Estimates of Provincial Revenue & Expenditure 2017**

Table 9.1(a): Adjusted Estimates per programme

		2017/18							
Programme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds			Other adjustments
R'thousand									
1. Administration	126 869				14 630			14 630	141 499
2. Public Works Infrastructure	1 213 334				(14 705)	(11 876)	23 054	(3 527)	1 209 807
3. Expanded Public Works Programme	182 153				75	(1 000)		(925)	181 228
<b>Total</b>	<b>1 522 356</b>					<b>(12 876)</b>	<b>23 054</b>	<b>10 178</b>	<b>1 532 534</b>

**Economic classification**

Table 9.1(b): Adjusted Estimates by economic classification

		Adjustments Appropriation							
Economic classification	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation	
			Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds			Other adjustments
R'thousand									
<b>Current payments</b>	<b>958 431</b>				<b>7 636</b>	<b>(4 311)</b>	<b>23 054</b>	<b>26 379</b>	<b>984 810</b>
Compensation of employees	401 423					(1 277)		(1 277)	400 146
Goods and Services	557 008				7 636	(3 034)	23 054	27 656	584 664
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>349 655</b>				<b>(1)</b>			<b>(1)</b>	<b>349 654</b>
Provinces and municipalities	345 636								345 636
Departmental agencies and accounts	11				(1)			(1)	10
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	4 008								4 008
<b>Payments for capital assets</b>	<b>214 270</b>				<b>(7 635)</b>	<b>(8 565)</b>		<b>(16 200)</b>	<b>198 070</b>
Buildings and other fixed structures	210 017				(9 787)	(8 565)		(18 352)	191 665
Machinery and equipment	4 253				2 152			2 152	6 405
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>1 522 356</b>					<b>(12 876)</b>	<b>23 054</b>	<b>10 178</b>	<b>1 532 534</b>

**Programme 1: Administration**

Table 9.1.1: Adjusted Estimates

		2017/18						
Subprogramme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable /unavoidable	Virements and shifts		
1. Office of the MEC		8 731				(241)	(241)	8 490
2. Management of the Department		13 457				(241)	(241)	13 216
3. Corporate Support		104 681				15 112	15 112	119 793
<b>Total</b>		<b>126 869</b>				<b>14 630</b>	<b>14 630</b>	<b>141 499</b>
<b>Economic classification</b>								
<b>Current payments</b>		<b>123 005</b>				<b>11 987</b>	<b>11 987</b>	<b>134 992</b>
Compensation of employees		81 027						81 027
Goods and Services		41 978				11 987	11 987	53 965
Interest and rent on land								
<b>Transfers and subsidies to</b>		<b>976</b>				<b>(1)</b>	<b>(1)</b>	<b>975</b>
Provinces and municipalities								
Departmental agencies and accounts		9				(1)	(1)	8
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households		967						967
<b>Payments for capital assets</b>		<b>2 888</b>				<b>2 644</b>	<b>2 644</b>	<b>5 532</b>
Buildings and other fixed structures								
Machinery and equipment		2 888				2 644	2 644	5 532
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>		<b>126 869</b>				<b>14 630</b>	<b>14 630</b>	<b>141 499</b>

**Programme 2: Public Works Infrastructure**

Table 9.1.2: Adjusted Estimates

		2017/18							
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. Programme Support		4 925				21	21	4 946	
2. Planning		10 970				380	380	11 350	
3. Design		20 440				1 520	1 520	21 960	
4. Construction		85 381			(13 878)	(8 565)	(22 443)	62 938	
5. Maintenance		180 927			(6 928)	(3 311)	(10 239)	170 688	
6. Immovable Asset Management		786 044			2 888		19 054	807 986	
7. Facility Operations		124 647			1 292		4 000	129 939	
<b>Total</b>		<b>1 213 334</b>			<b>(14 705)</b>	<b>(11 876)</b>	<b>23 054</b>	<b>(3 527)</b>	<b>1 209 807</b>
<b>Economic classification</b>									
<b>Current payments</b>		<b>777 238</b>			<b>(4 615)</b>	<b>(3 311)</b>	<b>23 054</b>	<b>15 128</b>	<b>792 366</b>
Compensation of employees		304 544				(277)	(277)	304 267	
Goods and Services		472 694			(4 615)	(3 034)	23 054	488 099	
Interest and rent on land									
<b>Transfers and subsidies to</b>		<b>348 679</b>						<b>348 679</b>	
Provinces and municipalities		345 636						345 636	
Departmental agencies and accounts		2						2	
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		3 041						3 041	
<b>Payments for capital assets</b>		<b>87 417</b>			<b>(10 090)</b>	<b>(8 565)</b>	<b>(18 655)</b>	<b>68 762</b>	
Buildings and other fixed structures		86 289			(9 787)	(8 565)	(18 352)	67 937	
Machinery and equipment		1 128			(303)		(303)	825	
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>		<b>1 213 334</b>			<b>(14 705)</b>	<b>(11 876)</b>	<b>23 054</b>	<b>(3 527)</b>	<b>1 209 807</b>

**Programme 3: Expanded Public Works Programme**

Table 9.1.3: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
R'thousand								
1. Programme Support	17 956				(187)	(1 000)	(1 187)	16 769
2. Community Development	150 106				3 410		3 410	153 516
3. Innovation and Empowerment	14 091				(3 148)		(3 148)	10 943
<b>Total</b>	<b>182 153</b>				<b>75</b>	<b>(1 000)</b>	<b>(925)</b>	<b>181 228</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>58 188</b>				<b>264</b>	<b>(1 000)</b>	<b>(736)</b>	<b>57 452</b>
Compensation of employees	15 852					(1 000)	(1 000)	14 852
Goods and Services	42 336				264		264	42 600
Interest and rent on land								
<b>Transfers and subsidies to</b>								
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	<b>123 965</b>				<b>(189)</b>		<b>(189)</b>	<b>123 776</b>
Buildings and other fixed structures	123 728							123 728
Machinery and equipment	237				(189)		(189)	48
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>182 153</b>				<b>75</b>	<b>(1 000)</b>	<b>(925)</b>	<b>181 228</b>

**Special appropriation**

No special appropriation was allocated to the Department.

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017****Roll-overs**

The Department did not received roll-over funds.

**Unforeseeable and unavoidable expenditure**

None

## Virements and shifts

Table 9.2: Details on virements and shifts

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programmes</b>					
1. Administration			1. Administration		14 630
2. Public Works Infrastructure		(14 705)	2. Public Works Infrastructure		
3. Expanded Public Works Programme			3. Expanded Public Works Programme		75
<b>Programme 1</b>			<b>Programme 1</b>		
Departmental agencies and accounts	Correct budget	(1)	Goods and Services		1
<b>Percentage of programme budget</b>			<b>0,0%</b>		
<b>Programme 2</b>			<b>Programme 1</b>		
Goods & Services	Scale down on slow spending items	(4 615)	Goods and Services	Legal fees for court judgements in regard of infrastructure projects. Procurement of specilized software for the Project Management Unit	13 124
Buildings and other fixed	Scale down on infrastructure projets	(9 787)			
Machinery and equipment	Centralize of leases budget	(303)	Machinery and equipment	Centralize of leases budget	1 581
<b>Percentage of programme budget</b>			<b>-1,2%</b>		
<b>Programme 3</b>			<b>Programme 1</b>		
Machinery and equipment	Centralize of leases budget	(187)	Machinery and equipment	Centralize of leases budget	187
<b>Percentage of programme budget</b>			<b>-0,1%</b>		
<b>Total</b>			<b>14 893</b>		

### Declared unspent funds – R12.876 million

The allocation for Programmes Public Works Infrastructure and EPWP was reduce under Compensation of Employees with R1.227 million. The Infrastructure Enhancement Allocation was reduce with **R2.898 million** and other infrastructure projects with **R8.701 million** for Programme Public Works.

### Other adjustments – R23.054 million

An amount of **R19.054 million** wat allocated for the payments of municipal services.

### 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 2017 Budget speech for future allocation

An amount of **R4 million** was allocated for assistance with the Boitemelo Injunction at the Thabong Mall (Thusong One Stop Centre).

### 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 2016/17 and actual expenditure for 2017/18**

Table 9.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Adjusted /Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	117 409	54 332	46.3%	107 873	91.9%	141 499	9.2%	70 288	49.7%
2. Public Works Infrastructure	1 201 217	680 416	56.6%	1 216 248	101.3%	1 209 807	78.9%	747 287	61.8%
3. Expanded Public Works Programme	167 946	70 283	41.8%	162 141	96.5%	181 228	11.8%	49 022	27.0%
<b>Total</b>	<b>1 486 572</b>	<b>805 031</b>	<b>54.2%</b>	<b>1 486 262</b>	<b>100.0%</b>	<b>1 532 534</b>	<b>100.0%</b>	<b>866 597</b>	<b>56.5%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>947 439</b>	<b>582 980</b>	<b>61.5%</b>	<b>958 204</b>	<b>101.1%</b>	<b>984 810</b>	<b>64.3%</b>	<b>587 399</b>	<b>59.6%</b>
Compensation of employees	402 058	198 836	49.5%	402 583	100.1%	400 146	26.1%	202 374	50.6%
Goods and services	545 381	384 144	70.4%	555 621	101.9%	584 664	38.2%	385 025	65.9%
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>333 012</b>	<b>132 942</b>	<b>39.9%</b>	<b>332 892</b>	<b>100.0%</b>	<b>349 654</b>	<b>22.8%</b>	<b>222 032</b>	<b>63.5%</b>
Provinces and municipalities	329 177	131 455	39.9%	329 168	100.0%	345 636	22.6%	219 793	63.6%
Departmental agencies and accounts	9	1	11.1%	37	411.1%	10	0.0%	1	10.0%
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	3 826	1 486	38.8%	3 687	96.4%	4 008	0.3%	2 238	55.8%
<b>Payments for capital assets</b>	<b>206 121</b>	<b>89 109</b>	<b>43.2%</b>	<b>194 130</b>	<b>94.2%</b>	<b>198 070</b>	<b>12.9%</b>	<b>57 166</b>	<b>28.9%</b>
Buildings and other fixed structures	199 991	87 134	43.6%	187 141	93.6%	191 665	12.5%	54 748	28.6%
Machinery and equipment	5 838	1 975	33.8%	6 697	114.7%	6 405	0.4%	2 418	37.8%
Cultivated assets									
Software and other intangible assets	292			292	100.0%				
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>				<b>1 036</b>					
<b>Total</b>	<b>1 486 572</b>	<b>805 031</b>	<b>54.2%</b>	<b>1 486 262</b>	<b>100.0%</b>	<b>1 532 534</b>	<b>100.0%</b>	<b>866 597</b>	<b>56.5%</b>

## Expenditure trends for the first half of the 2017/18 financial year

### Programme: 1: Administration

Expenditure in the first six months of 2017/18 amounted to **R70.288 million** or **49.7 percent** against the adjusted appropriation of **R141.499 million**.

### Programme: 2: Public Works Infrastructure

Expenditure in the first six months of 2017/18 amounted to **R747.287 million** or **61.8 percent** against the adjusted appropriation of **R1.210 billion**. The expenditure for rates and taxes was at **63.6 percent** and the department projects an over expenditure of **R152.290 million**. The expenditure for utility payments to municipalities was **83.9 percent** and the department projects an over expenditure of **R588.095 million** which relates to accruals, tariff increases, account adjustments, incorrect billing by municipalities and new municipal valuation rolls.

### Programme: 3: EPWP

Expenditure in the first six months of 2017/18 was **R49.022 million** or **27.0 percent** against the adjusted appropriation of **R181.228 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 2017/18 was **R587.339 million** or **59.6 percent** against the adjusted appropriation of **R948.810 million**. The deviation is due to utility payments and operating lease payments; as a result the department project to overspend with **R623.179 million**.

### Transfers and subsidies

Expenditure during the first six months of 2017/18 amounted to **R222.032 million** or **63.5 percent** against the adjusted appropriation of **R349.654 million**. The expenditure for rates & taxes to municipalities was **63.6 percent** and the department projects an over expenditure of **R152.290 million** which relates to accruals and higher than inflation tariff increases.

### Payments for capital assets

Expenditure in the first six months of 2017/18 amounted to **R57.166 million** or **28.9 percent** against the adjusted appropriation of **R198.070 million**. The expenditure for infrastructure projects are high but no over expenditure is projected.

## Departmental receipts

Table 9.4: Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Budget estimate	Adjusted estimate	Adjusted receipts estimate / Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
Departmental receipts	44 106	21 553	48.9%	54 350	123.2%	48 388	48 388	100.0%	13 828	28.6%
Tax receipts										
Sales of goods and services other than capital receipts	43 614	19 242	44.1%	43 680	100.2%	46 721	46 721	96.6%	12 828	27.5%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	32	32	100.0%	328	1025.0%	37	37	0.1%	12	32.4%
Sales of capital assets		918		6 804	0.0%				335	
Financial transactions in assets and liabilities	460	1 361	295.9%	3 538	769.1%	1 630	1 630	3.4%	653	40.1%
<b>Total departmental receipts</b>	<b>44 106</b>	<b>21 553</b>	<b>48.9%</b>	<b>54 350</b>	<b>123.2%</b>	<b>48 388</b>	<b>48 388</b>	<b>100.0%</b>	<b>13 828</b>	<b>28.6%</b>

### Revenue trends for the first half of the 2017/18 financial year

Revenue collected in the first six months of 2017/18 amounted to **R13.828 million** or **28.6 percent** against the adjusted appropriation of **R48.388 million**. The under collection is due to revenue not yet received for rentals and boarding fees from the Department of Health.

### Changes to transfers and subsidies, including conditional grants

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

R thousand	2017/18								
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>2. Public Works Infrastructure</b>	<b>345 636</b>								<b>345 636</b>
<b>Transfers and Subsidies</b>									
<b>Current</b>									
Transfers to Municipalities									
Category A	106 265				9 295			9 295	115 560
Category B	239 371				(9 295)			(9 295)	230 076
<b>Total transfers and subsidies</b>	<b>345 636</b>								<b>345 636</b>

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

		2017/18							
		Adjustment appropriation							
		Declared			Total				
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	unspent funds	Other adjustments	Adjusted appropriation	
<b>3. Expanded Public Works Programme</b>	<b>10 900</b>							<b>10 900</b>	
<b>Goods and Services</b>									
<b>Current</b>									
EPWP Integrated Grant of Prov	10 900							10 900	
<b>Total conditional grants</b>	<b>10 900</b>							<b>10 900</b>	

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

		2017/18							
		Adjustment appropriation							
		Declared			Total				
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	unspent funds	Other adjustments	Adjusted appropriation	
<b>1. Administration</b>	<b>1 000</b>							<b>1 000</b>	
<b>Current Payments</b>									
<b>Goods &amp; Services</b>									
NGO Adoption	1 000							1 000	
<b>2. Public Works Infrastructure</b>	<b>384 195</b>					<b>(2 898)</b>	<b>(2 898)</b>	<b>381 297</b>	
<b>Transfers &amp; subsidies</b>									
<b>Provinces &amp; Municipalities</b>									
Prop Rate&Tax Enhancement All	345 636							345 636	
<b>Payments for capital assets</b>									
<b>Buildings and other fixed structures</b>									
Infrastructure Enhancement All	38 559					(2 898)	(2 898)	35 661	
<b>3. Expanded Public Works Programme</b>	<b>123 728</b>							<b>123 728</b>	
<b>Payments for capital assets</b>									
<b>Buildings and other fixed structures</b>									
Infrastructure Enhancement All	123 728							123 728	
<b>Total earmarked funds</b>	<b>508 923</b>					<b>(2 898)</b>	<b>(2 898)</b>	<b>506 025</b>	

## 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	Professional fees budget	Const/ maint budget	Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	Captured on EPRE Yes/ No	EPWP Yes/No		
						Date: Start	Date: Finish											
<b>1. New Infrastructure (R thousand)</b>																		
1	QWAQWA LUSAKA C/H PW/FS/16/101	Maluti-a-Phofung	Thabo Mofutsanyane	Equitable share	Community hall		31/03/2018	2	8 519	5 519		3 000		(600)	Yes	Yes		
2	QWAQWA MBEKI C/H PW/FS/16/100	Maluti-a-Phofung	Thabo Mofutsanyane	Equitable share	Community hall	01/04/2016	31/03/2018	2	8 017	5 017		3 000		(600)	Yes	Yes		
3	ROUXVILL CLINIC PW/FS/15/86		Xhariep	Equitable share	Facility	10/01/2015	31/03/2021	2	37 459	7 911		6 168		(2 467)	Yes	Yes		
<b>Total new infrastructure assets</b>																		
																<b>(3 667)</b>		
<b>2. Maintenance and repair (R thousand)</b>																		
1	MAINT:GOV:FACILITIES	FS	FS	Equitable share	FS	01/04/2015	31/03/2021	2	79 971	48 642				(3 034)	Yes	No		
<b>Total maintenance and repair</b>																		
																<b>(3 034)</b>		
<b>3. Upgrades and additions (R thousand)</b>																		
1	FIDEL CASTRO ELECT UPG	Mangaung	Mangaung	IEA	Office	26/11/2017	31/03/2019	2	7 910				3 082		No	No		
2	LEBOHANG LIFTS&UPGR PW/FS/12/10	Mangaung	Mangaung	IEA	Office	01/04/2012	31/03/2018	2	58 733	61 101		5 750		(5 750)	Yes	No		
				Equitable share	Office							4 250		(4 250)				
3	PROV BUILD UPGR PW/FS/12/17	Mangaung	Mangaung	IEA	Office	01/09/2011	31/10/2018	2	49 842	44 477		3 469		(3 469)	Yes	No		
				Equitable share	Office							8 431		(6 112)				
4	THABA NCHU RATLO R/O PW/FS/15/91	Mangaung	Mangaung	IEA	Office	01/04/2012	31/03/2019	2	34 764	24 764		3 589			Yes	No		
				Equitable share	Office							7 000	500					
5	ALLENRIDGE T/S REVIT PW/FS/12/14	Matjhabeng	Lejweleputswa	IEA	Access control	01/04/2011	31/03/2019	3	17 000			7 000		(4 000)	Yes	No		
6	BOTSHABELO T/SREVIT PW/FS/17/107	Mangaung	Mangaung	IEA	Access control	01/04/2011	31/03/2019	3	14 300			4 850	150		Yes	No		
7	EXCELSIOR T/S REVIT PW/FS/16/96	Mantsopa	Thabo Mofutsanyane	IEA	Access control	01/04/2011	31/03/2019	3	14 000			5 000		(1 000)	Yes	No		
8	FIDEL CASTRO 1ST FLOOR	Mangaung	Mangaung	IEA	Office	26/11/2017	31/03/2019	2	2 224				2 224		Yes	No		
9	HAMILTON R/O UPGPH2 PW/FS/18/120	Mangaung	Mangaung	IEA	Office	01/09/2006	31/03/2020	2	40 879			15 112		(14 812)	Yes	No		
10	HAMILTON R/OFF UPG PW/FS/11/54	Mangaung	Mangaung	IEA	Office	01/04/2011	28/02/2018	2	27 706	26 901		555	805	(555)	Yes	No		
11	HEILBRON T/S REVIT PW/FS/13/80	Ngwathe	Fezile Dabi	IEA	Access control	01/04/2011	31/03/2019	3	20 000			7 000		(1 000)	Yes	No		
12	HENNENMAN T/S REVIT PW/FS/11/66	Matjhabeng	Lejweleputswa	IEA	Access control	01/04/2011	31/03/2019	3	50 001	34 001		5 000	1 000		Yes	No		
13	HERTZOGVILE T/SREVIT PW/FS/16/98	Tokologo	Lejweleputswa	IEA	Access control	01/04/2011	31/03/2019	3	21 000	16 000		7 000		(4 000)	Yes	No		

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	Professional fees budget	Const/ maint budget	Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	Captured on EPRE Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish									
<b>3. Upgrades and additions (R thousand)</b>																
14	KOPPIES C/H UPG PW/FS/18/128	Ngwathe	Fezile Dabi	IEA	Community hall	17/05/2017	31/03/2019	2	5 555				3 032		Yes	No
15	KOPPIES T/S REVIT PW/FS/18/131	Ngwathe	Fezile Dabi	IEA	Access control	01/04/2011	31/03/2019	3	8 000				8 000		Yes	No
16	KWAKWATSI C/H UPG PW/FS/18/129	Ngwathe	Fezile Dabi	IEA	Community hall	17/05/2017	31/03/2018	2	2 342				2 342		Yes	No
17	LUCKHOFF T/S C/HUPG PW/FS/18/127	Letsemeng	Xhariep	IEA	Community hall	17/05/2017	31/03/2018	2	4 250					(4 250)	Yes	No
18	LUCKHOFF T/S REVIT PW/FS/18/118	Letsemeng	Xhariep	IEA	Access control	01/04/2011	31/03/2019	3	15 500			3 500	3 500		Yes	No
19	MARABASTAD T/S REVIT PW/FS/11/65	Moghaka	Fezile Dabi	IEA	Access control	01/04/2011	31/03/2019	3	20 000			7 000		(1 000)	Yes	No
20	MEDFONTEIN UPGR PW/FS/13/82	Mangaung	Mangaung	IEA	Office	01/04/2014	31/03/2018	2	7 854	6 490			423		Yes	No
21	MPL HOUSES UPGR PW/FS/13/84	Mangaung	Mangaung	Equitable share	Dwellings	01/04/2015	31/03/2020	2	19 345	4 345		5 000		(2 500)	Yes	No
22	ODENDAALSRUS T/SREVIT PW/FS/11/6	Matjhabeng	Lejweleputswa	IEA	Access control	01/04/2011	31/03/2019	3	17 000			7 000		(4 000)	Yes	No
23	PARYS T/S REVIT PW/FS/11/63	Ngwathe	Fezile Dabi	IEA	Access control	01/04/2011	31/03/2019	3	22 000			3 500	4 500		Yes	No
24	QWAQWA T/S REVIT PW/FS/17/108	Maluti-a-Phofung	Thabo Mofutsanyane	IEA	Access control	01/04/2011	31/03/2019	3	19 402			5 028	4 700		Yes	No
25	CORNELIA T/S REVIT PW/FS/11/70	Mafube	Fezile Dabi	IEA	Access control	01/04/2011	31/03/2019	3				7 000		(7 000)	Yes	No
26	SEC UPG-HOUSE 8 PW/FS/18/126	Mangaung	Mangaung	Equitable share	Dwellings	01/04/2017	31/03/2018	2	454			377	77		Yes	No
27	SEC UPG-HOUSE 9	Mangaung	Mangaung	Equitable share	Dwellings	01/04/2017	31/03/2018	2	458				458		Yes	No
28	SMITHFIELD C/H UPG PW/FS/18/130	Mohokare	Xhariep	IEA	Community hall	17/05/2017	31/03/2018	2	698				698		Yes	No
29	THABA NCHU T/S REVIT PW/FS/12/12	Mangaung	Mangaung	IEA	Access control	01/04/2011	31/03/2019	3	19 000			7 000		(2 000)	Yes	No
30	TROMPS HOS SEW UPGR PW/FS/17	Kopanong	Xhariep	IEA	Hospital	07/07/2015	31/03/2018	2	27 423	10 257		7 423	9 743		Yes	No
31	TWEELING T/S REVIT PW/FS/17/105	Maluti-a-Phofung	Fezile Dabi	IEA	Access control	01/04/2011	31/03/2019	3	14 300			4 850	150		Yes	No
32	TWEESPRUIT T/S REVIT PW/FS/16/93	Mantsopa	Thabo Mofutsanyane	IEA	Access control	01/04/2011	31/03/2019	3	18 000			7 000		(3 000)	Yes	No
33	VERKEERDEVLEI T/S PW/FS/18/132	Masilonyana	Thabo Mofutsanyane	IEA	Access control	01/04/2011	31/03/2019	3	4 000				4 000		Yes	No
34	VREDEFORT T/S REVIT PW/FS/11/67	Ngwathe	Fezile Dabi	IEA	Access control	01/04/2011	31/03/2019	3	21 000			7 000		(1 000)	Yes	No
35	WEPENER T/S REVIT PW/FS/16/94	Masilonyana	Mangaung	IEA	Access control	01/04/2011	31/03/2019	3	11 000			3 000	2 000		Yes	No
<b>Total upgrades and additions</b>													<b>54 973</b>	<b>(69 698)</b>		
<b>TOTAL</b>													<b>54 973</b>	<b>(76 399)</b>		

**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	Professional fees budget	Const/ maint budget	Total budget	Total budget	Captured on EPRE Yes/ No	EPWP Yes/No
						Date: Start	Date: Finish					2017/18 (TO)	2017/18 (FROM)		
<b>1. Non infrastructure assets (R thousand)</b>															
1	CLEENING & GREENING	FS	FS	EPWP grant Equitable share	Other	Apr '12	Mar '18	3	Ongoing each year		10 900	8 347		Yes	Yes
2	CASH FOR WASTE	FS	FS	Equitable share	Other	Apr '12	Mar '18	3	Ongoing each year		3 570		(1 312)	Yes	Yes
3	COMM WORKER STIPEND	FS	FS	Equitable share	Other	Apr '12	Mar '18	3	Ongoing each year		11 908		(3 625)	Yes	Yes
4	CONTRACTOR DEVEL	FS	FS	Equitable share	Other	Apr '12	Mar '18	3	Ongoing each year		4 725		(2 068)	Yes	Yes
5	NATIONAL YOUTH SER	FS	FS	Equitable share	Other	Apr '12	Mar '18	3	Ongoing each year		4 725		(734)	Yes	Yes
6	SKILLS TRAINING	FS	FS	Equitable share	Other	Apr '12	Mar '18	3	Ongoing each year		4 641		(346)	Yes	Yes
<b>Total new infrastructure assets</b>												<b>8 347</b>	<b>(8 085)</b>		

Table 9.8: Summary of adjusted infrastructure appropriation

2017/18			
Infrastructure	Main Appropriation	Increase/ Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>	<b>203 616</b>	<b>(7 932)</b>	<b>195 684</b>
Maintenance and repair	9 585	(3 034)	6 551
Upgrades and additions	194 031	(4 898)	189 133
Refurbishment and rehabilitation			
<b>New infrastructure assets</b>	<b>13 086</b>	<b>(3 667)</b>	<b>9 419</b>
<b>Infrastructure transfers</b>			
Current			
Capital			
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Total Infrastructure</b>	<b>216 702</b>	<b>(11 599)</b>	<b>205 103</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>	<b>9 585</b>	<b>(3 034)</b>	<b>6 551</b>
Compensation of employees			
Goods and Services	9 585	(3 034)	6 551
Interest and rent on land			
<b>Transfers and subsidies to</b>			
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households			
<b>Payments for capital assets</b>	<b>207 117</b>	<b>(8 565)</b>	<b>198 552</b>
Buildings and other fixed structures	207 117	(8 565)	198 552
Machinery and equipment			
Cultivated assets			
Software and other intangible assets			
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>216 702</b>	<b>(11 599)</b>	<b>205 103</b>

**VOTE 10:**  
**DEPARTMENT OF POLICE, ROADS &  
TRANSPORT**

## Vote 10

## Department of Police Roads and Transport

## Adjusted budget summary

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	2 720 070		2 700 970	(29 100)	10 000
<b>of which economic classification:</b>					
Current payments	1 962 696		1 967 096	(5 600)	10 000
Transfers and subsidies	265 485		265 485		
Payments for capital assets	491 889		468 389	(23 500)	
Payments for financial assets					
<b>of which source of funding:</b>					
Equitable Share	628 894		637 894	(1 000)	10 000
Conditional Grants	1 537 759		1 537 759		
Earmarked funds	499 433		471 333	(28 100)	
Provincial Receipts	53 984		53 984		
<b>Direct charge against the Provincial Revenue Fund</b>	2 720 070		2 700 970	(29 100)	10 000

Executive Authority

MEC for Police Roads and Transport

Accounting Officer

Head of Department : Police Roads and Transport

Website address

[www.policeroadstransport.gov.za](http://www.policeroadstransport.gov.za)

## Purpose

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 2017/18 financial year. All programmes remains as tabled in the APP.

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2017

Table 10.1(a): Adjusted Estimates per programme

2017/18								
Programme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / unav avoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand			Roll-overs					
1.Administration	302 252			(23 693)	(8 500)		(32 193)	270 059
2.Provincial secretariat for police service	25 081			(1 566)			(1 566)	23 515
3.Transport Operations	329 414			3 000		10 000	13 000	342 414
4.Transport Regulations	343 766			28 759			28 759	372 525
5.Transport Infrastructure	1 719 557			(6 500)	(20 600)		(27 100)	1 692 457
<b>Subtotal</b>	<b>2 720 070</b>				<b>(29 100)</b>	<b>10 000</b>	<b>(19 100)</b>	<b>2 700 970</b>
<b>Direct charge against the Provincial Revenue Fund</b>								
Item								
<b>Total</b>	<b>2 720 070</b>				<b>(29 100)</b>	<b>10 000</b>	<b>(19 100)</b>	<b>2 700 970</b>

## Economic classification

Table 10.1(b): Adjusted Estimates by economic classification

Economic classification	Main appropriation	Special appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / unav avoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand			Roll-overs					
<b>Current payments</b>	<b>1 962 696</b>			<b>(11 591)</b>	<b>(5 600)</b>	<b>10 000</b>	<b>(7 191)</b>	<b>1 955 505</b>
Compensation of employees	692 934			(9 700)			(9 700)	683 234
Goods and Services	1 269 762			(1 891)	(5 600)	10 000	2 509	1 272 271
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>265 485</b>			<b>3 674</b>			<b>3 674</b>	<b>269 159</b>
Provinces and municipalities								
Departmental agencies and accounts	5 000							5 000
Universities and technikons								
Public corporations and private enterprises	255 669							255 669
Foreign governments and international organisations								
Non-profit institutions								
Households	4 816				3 674		3 674	8 490
<b>Payments for capital assets</b>	<b>491 889</b>			<b>7 917</b>	<b>(23 500)</b>		<b>(15 583)</b>	<b>476 306</b>
Buildings and other fixed structures	467 666			9 366	(16 000)		(6 634)	461 032
Machinery and equipment	20 623			2 034	(7 500)		(5 466)	15 157
Cultivated assets								
Software and other intangible assets	3 000				(2 983)		(2 983)	17
Land and subsoil assets	600				(500)		(500)	100
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>2 720 070</b>				<b>(29 100)</b>	<b>10 000</b>	<b>(19 100)</b>	<b>2 700 970</b>

**Programme 1: Administration**

Table 10.1.1: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Office of the MEC	11 082			(382)			(382)	10 700
2. Office of the HOD	12 576							12 576
3. Financial Management	91 808			5 440	(1 000)		4 440	96 248
4. Corporate Services	91 713			(31 720)			(31 720)	59 993
5. Internal Audit	5 570			900			900	6 470
6. Legal Services	5 852			(1 500)			(1 500)	4 352
7. Strategic Plan and Research Developmer	5 728			3 950			3 950	9 678
8. Security Management	74 356			(181)	(7 500)		(7 681)	66 675
9. Risk Management	3 567			(200)			(200)	3 367
<b>Total</b>	<b>302 252</b>			<b>(23 693)</b>	<b>(8 500)</b>		<b>(32 193)</b>	<b>270 059</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>279 272</b>			<b>(23 741)</b>	<b>(1 000)</b>		<b>(24 741)</b>	<b>254 531</b>
Compensation of employees	196 906			(27 893)			(27 893)	169 013
Goods and Services	82 366			4 152	(1 000)		3 152	85 518
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>886</b>			<b>700</b>			<b>700</b>	<b>1 586</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	886			700			700	1 586
<b>Payments for capital assets</b>	<b>22 094</b>			<b>(652)</b>	<b>(7 500)</b>		<b>(8 152)</b>	<b>13 942</b>
Buildings and other fixed structures								
Machinery and equipment	19 094			2 348	(7 500)		(5 152)	13 942
Cultivated assets								
Software and other intangible assets	3 000			(3 000)			(3 000)	
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>302 252</b>			<b>(23 693)</b>	<b>(8 500)</b>		<b>(32 193)</b>	<b>270 059</b>

**Programme 2: Provincial Secretariat on Police Service**

Table 10.1.2: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
Rthousand								
1.Complaints Registry & Investg	3 261				(90)		(90)	3 171
2.Policy and Research:Police	1 500							1 500
3.Monitoring And Evaluation	5 692				(100)		(100)	5 592
4.Social Crime Prevention	8 121				(1 316)		(1 316)	6 805
5.Community Police Relations	3 919				10		10	3 929
6.Promotion of Safety	2 588				(70)		(70)	2 518
<b>Total</b>	<b>25 081</b>				<b>(1 566)</b>		<b>(1 566)</b>	<b>23 515</b>
<b>Economic classification</b>								
<b>Current payments</b>	24 805				(1 617)		(1 617)	23 188
Compensation of employees	16 645				1 693		1 693	18 338
Goods and Services	8 160				(3 310)		(3 310)	4 850
Interest and rent on land								
<b>Transfers and subsidies to</b>	276				(259)		(259)	17
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	276				(259)		(259)	17
<b>Payments for capital assets</b>					310		310	310
Buildings and other fixed structures								
Machinery and equipment					310		310	310
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>25 081</b>				<b>(1 566)</b>		<b>(1 566)</b>	<b>23 515</b>

## Programme 3: Transport Operations

Table 10.1.3: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Programme Support Operation	2 103							2 103
2. Public Transport Services	306 778				1 000	10 000	11 000	317 778
3. Infrastructure Operations	1 980							1 980
4. Operator License & Permit	18 553				2 000		2 000	20 553
<b>Total</b>	<b>329 414</b>				<b>3 000</b>	<b>10 000</b>	<b>13 000</b>	<b>342 414</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>68 745</b>				<b>2 958</b>	<b>10 000</b>	<b>12 958</b>	<b>81 703</b>
Compensation of employees	19 365				3 000		3 000	22 365
Goods and Services	49 380				(42)	10 000	9 958	59 338
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>260 669</b>							<b>260 669</b>
Provinces and municipalities								
Departmental agencies and accounts	5 000							5 000
Universities and technikons								
Public corporations and private enterprises	255 669							255 669
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>					<b>42</b>		<b>42</b>	<b>42</b>
Buildings and other fixed structures								
Machinery and equipment					42		42	42
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>329 414</b>				<b>3 000</b>	<b>10 000</b>	<b>13 000</b>	<b>342 414</b>

## Programme 4: Transport Regulation

Table 10.1.4: Adjusted Estimates

		2017/18							
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.Regulation Support Office		13 143							13 143
2.Law Enforcement		204 199				31 133		31 133	235 332
3.Transport Admin & Licensing		105 423				(2 244)		(2 244)	103 179
4.Safety & Compliance		21 001				(130)		(130)	20 871
<b>Total</b>		<b>343 766</b>				<b>28 759</b>		<b>28 759</b>	<b>372 525</b>
<b>Economic classification</b>									
<b>Current payments</b>		342 879				27 723		27 723	370 602
Compensation of employees		277 084				18 500		18 500	295 584
Goods and Services		65 795				9 223		9 223	75 018
Interest and rent on land									
<b>Transfers and subsidies to</b>		887				633		633	1 520
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikon									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		887				633		633	1 520
<b>Payments for capital assets</b>						403		403	403
Buildings and other fixed structures						350			
Machinery and equipment						36		36	36
Cultivated assets									
Software and other intangible assets						17			
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>		<b>343 766</b>				<b>28 759</b>		<b>28 759</b>	<b>372 525</b>

## Programme 5: Transport Infrastructure

Table 10.1.5: Adjusted Estimates

2017/18								
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.Infrastructure Support Office	15 586			10 000			10 000	25 586
2.Planning	12 805			(400)			(400)	12 405
3.Design	3 599			(70)			(70)	3 529
4.Contruction	1 312							1 312
5.Maintenance	1 676 255			(16 030)	(20 600)		(36 630)	1 639 625
6.Transport Systems	10 000							10 000
<b>Total</b>	<b>1 719 557</b>			<b>(6 500)</b>	<b>(20 600)</b>		<b>(27 100)</b>	<b>1 692 457</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 246 995</b>			<b>(16 914)</b>	<b>(4 600)</b>		<b>(21 514)</b>	<b>1 225 481</b>
Compensation of employees	182 934			(5 000)			(5 000)	177 934
Goods and Services	1 064 061			(11 914)	(4 600)		(16 514)	1 047 547
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>2 767</b>			<b>2 600</b>			<b>2 600</b>	<b>5 367</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	2767			2 600			2 600	5 367
<b>Payments for capital assets</b>	<b>469 795</b>			<b>7 814</b>	<b>(16 000)</b>		<b>(8 186)</b>	<b>461 609</b>
Buildings and other fixed structures	467 666			9 016	(16 000)		(6 984)	460 682
Machinery and equipment	1 529			(702)			(702)	827
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets	600			(500)			(500)	100
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>1 719 557</b>			<b>(6 500)</b>	<b>(20 600)</b>		<b>-27 100</b>	<b>1 692 457</b>

**Special appropriation**

Not applicable

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017****Roll-overs**

Not applicable

**Unforeseeable and unavoidable expenditure**

Not applicable

**Virements and shifts**

Table 10.2 Details on virements: Department of Police, Roads and Transport

Programmes Summary					
1. Administration	(33 241)	1. Administration	9 548		
2. Provincial Secretariat for Police Services	(3 569)	2. Provincial Secretariat for Police Services	2 003		
3. Transport Operations	(42)	3. Transport Operations	3 042		
4. Transport Regulations	(1 151)	4. Transport Regulations	29 910		
5. Transport Infrastructure	(52 814)	5. Transport Infrastructure	46 314		
<b>FROM:</b>	<b>(90 817)</b>	<b>TO:</b>	<b>90 817</b>		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1(Administration)</b>		<b>(33 241)</b>	<b>Programme 1(Administration)</b>		<b>9 548</b>
<b>Compensation of employees</b>	Budget reprioritization of the allocated budget initially captured under corporate services to revive the expenditure under transport regulations for officials transferred from public works as well as to curb higher than anticipated COE pressures in sub-programmes of Programme 1(Administration). Realignment in the EPWP Grant for the payment of Community safety patrollers effected to be reflected under programme 2	<b>(27 893)</b>	<b>Goods &amp; services</b>	Budget reprioritized to curb higher than anticipated current expenditure	<b>6 500</b>
<b>Goods &amp; services</b>	Movements of funds implemented during the first semester of the financial year to enable procurement of equipments for new officials	<b>(2 348)</b>	<b>Households</b>	Savings realised from current payments to be utilized for the higher than planned expenditure payments related to leave gratuities	<b>700</b>
<b>Software &amp; other intangible assets</b>	Savings realised under ICT sub-programme to assist with higher than anticipated expenditures pressures in goods & Services	<b>(3 000)</b>	<b>Machinery &amp; equipment</b>	Movement of funds from current to capital payments made to allow for the procurement of equipment for new officials	<b>2 348</b>
<b>Percentage of programme budget</b>		<b>11.00%</b>			<b>3.00%</b>
<b>Programme 2(Provincial Secretariat for Police Service))</b>		<b>(3 569)</b>	<b>Programme 2(Provincial Secretariat for Police Service))</b>		<b>2 003</b>
<b>Goods &amp; Services</b>	Fund shifts made from current to capital for the procurement of equipment and savings realised under goods & services to be directed to curb high expenditure in COE of programme 4	<b>(3 310)</b>	<b>Compensation of Employees</b>	Amount realigned from prog 1 to prog 2 for the payments of community safety patrollers under the EPWP grant	<b>1 693</b>
<b>Households</b>	Savings realised reprioritized towards aiding the high expenditure in leave gratuities for programme 4	<b>(259)</b>	<b>Machinery &amp; equipment</b>	Fund shifts implemented from current to capital payments for the procurement of equipments	<b>310</b>
		<b>14%</b>			<b>7%</b>

2017 Adjusted Estimates of Provincial Revenue & Expenditure

FROM:		-	TO:	-
<b>Programme 3(Transport Operations)</b>		<b>(42)</b>	<b>Programme 3(Transport Operations)</b>	<b>3 042</b>
<b>Goods &amp; Services</b>	Fund moved from current to capital classification to allow for the	<b>(42)</b>	<b>Compensation of Employees</b>	Savings realised under COE of programme 5 to aid expenditure pressures of transport operations COE <b>3 000</b>
			<b>Machinery &amp; equipment</b>	Funds shifted to aid a limited allocation under capital for the purposes of buying office equipment <b>42</b>
<b>Percentage of programme budget</b>		<b>1,00%</b>		<b>0,00%</b>
<b>Programme 4 (Transport Regulations)</b>		<b>(1 151)</b>	<b>Programme 4 (Transport Regulations)</b>	<b>29 910</b>
<b>Machinery &amp; Equipment</b>	Savings identified to be reprioritized to curb high expenditure in white fleet G&S	<b>(374)</b>	<b>Compensation of employees</b>	Savings identified in programme 1,2 & 5 directed to curb higher than anticipated expenditure in COE <b>18 500</b>
<b>Goods &amp; services</b>	Fund shifts implemented to enable the procurement of need software for the weighbridges, Equipment for new officials as well as for the calibration of the testing stations classified under capital payments	<b>(777)</b>	<b>Goods &amp; services</b>	Amounts identified as savings reprioritized from various programme to aid or reduce high expenditure related to white fleet <b>10 000</b>
			<b>Households</b>	Amount reprioritized from current payments to transfer payments to cater for higher than anticipated expenditure in leave gratuities <b>633</b>
			<b>Buildings &amp; other fixed structures</b>	Funds moved from current payments for the calibration of the testing centres <b>350</b>
			<b>Machinery &amp; equipment</b>	Fund shifts implemented for the purposes of buying equipment for the officials <b>410</b>
			<b>Software &amp; intangible assets</b>	Movement of funds implemented during the financial year for the procurement of software needed for the weighbridges <b>17</b>
<b>Percentage of programme budget</b>		<b>0%</b>		<b>9%</b>
<b>Programme 5 (Transport Infrastructure)</b>		<b>(52 814)</b>	<b>Programme 5 (Transport infrastructure)</b>	<b>46 314</b>
<b>Compensation of employees</b>	Savings identified to be redirected to programme for to curb higher than anticipated expenditure in COE	<b>(5 000)</b>	<b>Goods &amp; services</b>	Savings identified under capital projects redirected to Current projects <b>17 200</b>
<b>Goods &amp; services</b>	Budget movements and reprioritizations effected between current and capital projects, and savings identified to be directed to curb higher than anticipated expenditure in transfers related to leave gratuities	<b>(29 114)</b>	<b>Households</b>	Savings identified under G&S redirected to cover for higher expenditure related to the leave gratuities <b>2 600</b>
<b>Buildings &amp; other Fixed Structures</b>	Savings identified under capital projects redirected to Current projects	<b>(17 200)</b>	<b>Buildings and other fixed structures</b>	Funds movements implemented from current to capital projects <b>26 216</b>
<b>Machinery &amp; Equipment</b>	Savings identified after budget review redirected towards programme 4 to curb high expenditure pressures	<b>(1 000)</b>	<b>Machinery and equipment</b>	Funds moved from current payments to enable the procurement of construction and workshop equipment needed for the officials <b>298</b>
<b>Land &amp; Subsoil Assets</b>	Savings identified after budget review redirected towards programme 4 to curb high expenditure pressures	<b>(500)</b>		

## **Virements and shifts**

### **Programme 1**

An amount of R23.693 million was realized as a savings from programme 1 on various items under Compensation and Software and other Intangible assets of which funds will be reprioritised to aid programme 4 with higher expenditure of Compensation of Employees and White Fleet.

Of the savings realised an amount of R6.5 million was allocated to Goods and Services to accommodate for higher than anticipated expenditure in Administration Programme, R 1.693 million was moved from Security sub programme to Programme 2 for the payments of COE to community safety patrollers.

### **Programme 2**

An amount of R3.259 was moved to programme 4 to cover for payments related to Compensation of Employees and Households. R1.693 EPWP allocation was moved for payments of stipends to community safety patrollers.

### **Programme 3**

Savings to the value of R3 million was realised from Transport Infrastructure to curb high expenditure in Compensation of Employees.

### **Programme 4**

Total amount of R 28.759 million was reprioritise from other programmes to cover for compensation and white fleet. Funds were also moved Machinery and Equipment to cover for Household payments in the programme. Provision was made also during the financial year to cover for the payments related to the calibration of testing stations and the procurement of software for weigh bridges.

### **Programme 5**

R6.5 million was realised as savings to be redirected to programme 4 and R17.2 million was reprioritised from capital to current projects under the PRMG allocation. Funds were also moved during the financial year to enable the procurement of construction and workshop equipment needed for officials. Additional fund shift were also implemented during the financial year between current and capital projects.

## **Declared unspent funds – (R29.100 million)**

**Programme 1:** Administration – An amount of R1.000 million related to telephone recovery was redirected to the Department of the Premier. R7.500 million was also realised as savings under Biometrics and CCTV cameras.

**Programme 5:** Transport Infrastructure – R20.600 million was realised Ladybrand Public Transport Centre, Parys Intermodal Transport Centre, Integrated Transport Plans, Phakisa Race Track and Rammulotsi Road.

## **Other adjustments – R10.000 million**

### **Funds shifted between votes following transfer of function**

An amount of **R10.000 million** was allocated to the Learner Transport function.

### **Funds shifted within a vote following a function shift**

Not applicable

### **Adjustment due to significant and unforeseeable economic and financial events**

Not applicable

### **Use of funds in emergency situation**

Not applicable

### **Self-financing expenditure**

Not applicable in the department

### **Gifts, donations and sponsorships – R216 thousand**

The amount of R216 thousand was received by the department from Road Traffic Management Corporation (RTMC)

### **Direct charge against the provincial Revenue Fund - R0.000 million**

Not applicable

**Expenditure 2016/17 and preliminary expenditure 2017/18**

Table 10.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Apr 2017 - Sep 2017	(% of adjusted appropriation)	Adjusted appropriation / Total (%)
<b>Programmes</b>									
1. Administration	271 852	119 992	44,1%	238 284	87,7%	270 059	136 132	50,4%	10,0%
2. Provincial Secretariat On Police Service	21 174	9 607	45,4%	19 414	91,7%	23 515	10 820	46,0%	0,9%
4. Transport Operation	323 431	164 934	51,0%	338 298	104,6%	342 414	157 964	46,1%	12,7%
5. Transport Regulation	365 562	193 360	52,9%	393 371	107,6%	372 525	265 088	71,2%	13,8%
6. Transport Infrastructure	1 643 083	767 962	46,7%	1 615 754	98,3%	1 692 457	798 695	47,2%	62,7%
<b>Subtotal</b>	<b>2 625 102</b>	<b>1 255 855</b>	<b>47,8%</b>	<b>2 605 121</b>	<b>99,2%</b>	<b>2 700 970</b>	<b>1 368 699</b>	<b>50,7%</b>	<b>100,0%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>2 625 102</b>	<b>1 255 855</b>	<b>47,8%</b>	<b>2 605 121</b>	<b>99,2%</b>	<b>2 700 970</b>	<b>1 368 699</b>	<b>50,7%</b>	<b>100,0%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>1 731 247</b>	<b>789 444</b>	<b>45,6%</b>	<b>1 677 231</b>	<b>96,9%</b>	<b>1 955 505</b>	<b>971 801</b>	<b>49,7%</b>	<b>72,4%</b>
Compensation of employees	655 645	313 758	47,9%	686 894	104,8%	683 234	381 774	55,9%	25,3%
Goods and services	1 074 447	474 531	44,2%	990 273	92,2%	1 272 271	590 027	46,4%	47,1%
Interest and rent on land	1 155	1 155		64					
<b>Transfers and subsidies</b>	<b>263 942</b>	<b>127 096</b>	<b>48,2%</b>	<b>263 949</b>	<b>100,0%</b>	<b>269 159</b>	<b>109 331</b>	<b>40,6%</b>	<b>10,0%</b>
Provinces and municipalities									
Departmental agencies and accounts	17 000	5 000	29,4%	14 108	83,0%	5 000	5 000	100,0%	0,2%
Universities and technikon									
Public corporations and private enterprises	241 257	117 864	48,9%	241 217	100,0%	255 669	99 769	39,0%	9,5%
Foreign governments and international organisations									
Non-profit institutions									
Households	5 685	4 232	74,4%	8 624	151,7%	8 490	4 562	53,7%	0,3%
<b>Payments for capital assets</b>	<b>629 913</b>	<b>339 067</b>	<b>53,8%</b>	<b>663 693</b>	<b>105,4%</b>	<b>476 306</b>	<b>287 567</b>	<b>60,4%</b>	<b>17,6%</b>
Buildings and other fixed structures	621 170	335 649	54,0%	645 171	103,9%	461 032	283 896	61,6%	17,1%
Machinery and equipment	7 806	2 713	34,8%	17 092	219,0%	15 157	3 649	24,1%	0,6%
Cultivated assets									
Software and other intangible assets	200	199		1 292		17	15		
Land and subsoil assets	737	506	68,7%	138	18,7%	100	7	7,0%	0,0%
Heritage assets									
<b>Payments for financial assets</b>		<b>248</b>		<b>248</b>					
<b>Total</b>	<b>2 625 102</b>	<b>1 255 855</b>	<b>47,8%</b>	<b>2 605 121</b>	<b>99,2%</b>	<b>2 700 970</b>	<b>1 368 699</b>	<b>50,7%</b>	<b>100,0%</b>

## **Main expenditure trends for the first half of the 2017/18 financial year**

Expenditure in the first six months of 2017/18 amounted to R 1.368 billion or 50.7 percent of the adjusted appropriation of R 2.700 billion. The overall expenditure increased by 2.9 percent as compared to the 2016/17 expenditure mainly due to increased number of learners in need of learner Transport and increased utilisation of white fleet for more visibility on the roads.

The other increases can also be attributed to Goods and Services which grew by more than 2.2 percent as compared to the last financial year spending.

### **Programme 1: Administration**

The recorded increase of 6.3 percent on expenditure in the current financial year is due to an increase in compensation of employees in Security Management Sub-programme.

### **Programme 2: Provincial Secretariat for Police Service**

The increase of 1 percent on the current expenditure is as a result of the introduction of district offices for Civilian Oversight.

### **Programme 3: Transport Operation**

The decreased in spending of 4.9 percent as compared to that of the previous period is due to the slow spending in the Public Transport Operation Grant payment related to bus subsidies.

### **Programme 4: Transport Regulation**

The increase in expenditure of 18.3 percent as compared to the previous period expenditure is as a result of increased utilisation of white fleet for the enhancement of the visibility of traffic officers on the roads and as well as the compensation of employees.

### **Programme 5: Transport Infrastructure**

The analysis shows an increase of 0.5 percent in the expenditure as compared to the recorded expenditure of the previous period due to the effective and efficient running of capital and maintenance projects currently in progress around the province.

## **Economic Classification**

### **Current payments**

The expenditure for the current payments for the first six months increased with 4.1 percent as compared to the same period of last financial year due to an increase in the utilisation of white fleet and compensation of employees.

### **Transfers and subsidies**

The expenditure in transfers and subsidies has decreased by 7.6 percent as compared to that of the previous period due to decline in Public Transport Operation Grant in the current financial year.

## Departmental receipts

Table 10.4: Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Budget estimate	Adjusted estimate	Adjusted receipts estimate /Total (%)	Apr 2017 - Sep 2017 (% of adjusted estimate)	Apr 2017 - Sep 2017 (% of adjusted estimate)
		Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted estimate)					
<b>Departmental receipts</b>	<b>707 512</b>	<b>374 178</b>	<b>53%</b>	<b>717 210</b>	<b>101%</b>	<b>744 514</b>	<b>764 514</b>	<b>50,00%</b>	<b>397 934</b>	<b>52%</b>
Tax receipts	601 678	328 339	55%	631 687	105%	637 779	673 687	105,63%	353 266	52%
Sales of goods and services other than capital receipts	89 776	36 203	40%	64 074	71%	89 776	75 210	83,78%	36 860	49%
Transfers received										
Fines, penalties and forfeits	15 015	8 899	59%	19 656	131%	15 916	14 993	94,20%	7 496	50%
Interest, dividends and rent on land	198	13	7%	24	12%	198	21	10,61%	11	52%
Sales of capital assets										
Financial transactions in assets and liabilities	845	724	86%	1 769	209%	845	603	71,36%	301	50%
<b>Total</b>	<b>707 512</b>	<b>374 178</b>	<b>53%</b>	<b>717 210</b>	<b>101%</b>	<b>744 514</b>	<b>764 514</b>	<b>102,69%</b>	<b>397 934</b>	<b>52%</b>

### Main departmental revenue trends for the first half of 2017/18

The increase is due to the annual increase in motor vehicle licences, R 30.700 million more were collected due to the increased tariff.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2017/18								Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation					Total adjustments appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds	Other adjustments		
<b>Programme 1: Administration</b>	886					700		700	1 586
Departmental agencies and accounts									
Households	886					700		700	1 586
<b>Programme 2: Provincial Secretariat for Police Services</b>	276							(259)	17
Households	276					(259)		(259)	17
<b>Programme 3: Transport Operations</b>	260 669								260 669
Public corporations	255 669								255 669
Departmental agencies and accounts	5 000								5 000
Households									
<b>Programme 4: Transport Regulation</b>	887							633	1 520
Households	887					633		633	1 520
<b>Programme 5: Transport Infrastructure</b>	2 767					2 600		2 600	5 367
Households	2 767					2 600		2 600	5 367
<b>Total transfers and subsidies</b>	<b>265 485</b>					<b>3 300</b>		<b>3 674</b>	<b>269 159</b>

## Changes to conditional grants: Province and Local Government

No changes on the conditional grants

## Changes to earmarked funding

Table 10.6(b): Summary of changes to provincial earmarked funds

R thousand	2017/18							
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds		
<b>1. Administration</b>	<b>15 000</b>					<b>(7 500)</b>	<b>(7 500)</b>	<b>7 500</b>
<b>Economic sphere</b>								
<b>Current/Capital</b>								
Biometrics and CCTV Camera	5 000					(2 500)	(2 500)	2 500
Biometrics( Fidel Castro and OR Tambo)	10 000					(5 000)	(5 000)	5 000
<b>3. Transport Operations</b>	<b>40 000</b>						<b>10 000</b>	<b>50 000</b>
<b>Economic sphere</b>								
<b>Current/Capital</b>								
Learner Transport	40 000						10 000	50 000
<b>2. Transport Infrastructure</b>	<b>439 160</b>					<b>(6 500)</b>	<b>(27 100)</b>	<b>412 060</b>
<b>Economic sphere</b>								
<b>Current/Capital</b>								
Infrastructure Enhancement Allocation	439 160					(6 500)	(20 600)	412 060
<b>Total earmarked funds</b>	<b>494 160</b>					<b>(6 500)</b>	<b>(28 100)</b>	<b>469 560</b>

**Revised Infrastructure project list**

Table 10.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
								<b>1. New infrastructure assets (R thousand)</b>							
1	Intergrtd Tmsprt Plans PRT111/15	Roads		FS Province		Infr Enh All	Individual proj	Apr-14	Mar-18	PROGRAMME 5	16 000	4 000		(1 000)	3 000
2	Ladybrand Public Transport Centre(Road Infrastructure)	Transport Facility		Thabo Mofutsanyana		Infr Enh All	Individual project	Jun-17	May-19	PROGRAMME 5	100 000	20 000		(10 000)	10 000
3	Parys Intermodal Transport Centre	Transport Facility		Fezile Dabi		Infr Enh All	Individual project	Jun-17	Mar-18	PROGRAMME 5	80 000	10 000		(5 000)	5 000
<b>Total new infrastructure assets</b>											<b>196 000</b>	<b>34 000</b>		<b>(16 000)</b>	<b>18 000</b>

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
								<b>2. Maintenance and repair (R thousand)</b>							
1	Milling, Resealing and Fogspray	Road		FS Province		Road Maint Gr	Packaged Program	Feb-17	Dec-17		1 250 000	29 000	46 800	(6 158)	69 642
2	P44/2 Jim Fourche - Deneyville (Milling a	Road		Fezile Dabi		Road Maint Gr	Packaged Program	Jul-16	Jul-18		120 000	50 000	47 000	-	97 000
3	P40/2 Senekal-Marquard	Road		Thabo Mofutsanyana		Road Maint Gr	Individual project	Jun-16	Mar-18		245 100	36 000	-	(10 000)	26 000
4	P6/1 Dewetsdord-Wepener	Road		Mangaung		Road Maint Gr	Packaged Program	Aug-16	Sep-18		178 000	50 000	15 000	(1 000)	64 000
5	A56 Shannon	Road		Mangaung		Road Maint Gr	Individual project	Jul-16	May-17		48 450	4 000	-	(4 000)	-
6	Schonkenville R72	Road		Fezile Dabi		Road Maint Gr	Individual project	Aug-16	Dec-18		210 000	40 000	-	(31 100)	8 900
7	Re-gravelling-Mangaung	Road		Mangaung		Road Maint Gr	Individual project	Apr-16	Mar-19		150 000	15 000	1 000	-	16 000
8	Re-gravelling-Fezile Dabi	Road		Fezile Dabi		Road Maint Gr	Individual project	Apr-16	Mar-19		150 000	15 000	3 000	-	18 000
	Re-gravelling-Xhariep FS8-56104	Road		Xhariep		Road Maint Gr	Individual project	Apr-16	Mar-19		150 000	15 000	12 000	-	27 000
9	Re-gravelling-Thabo Mofutsanyana	Road		Thabo Mofutsanyana		Road Maint Gr	Individual project	Apr-16	Mar-19		150 000	15 000	1 000	-	16 000
10	Re-gravelling-Lejweleputswa	Road		Lejweleputswa		Road Maint Gr	Individual project	Apr-16	Mar-19	PROGRAMME 5	150 000	15 000	3 000	-	18 000
11	Road Markings Contract	Road		FS Province		Road Maint Gr	Individual project	Jan-15	Mar-18		50 000	15 000	11 000	-	26 000
12	P33/2 Bothaville - Viljoenskroon (Milling an	Road		Lejweleputswa		Road Maint Gr	Packaged Program	Sep-17	Oct-19		100 000	40 000	-	(20 000)	20 000
13	P23/1 Kroonstad - Steynsrus	Road		Fezile Dabi		Road Maint Gr	Individual project	Oct-17	Nov-19		215 000	35 000	-	(10 000)	25 000
14	P9/4 Sasolburg-Heilbron	Road		Fezile Dabi		Road Maint Gr	Individual project	Jul-17	Aug-19		240 000	50 000	-	(20 000)	30 000
15	P14/2 Wesselsbron - Hoopstad (Milling and	Road		Lejweleputswa		Road Maint Gr	Packaged Program	Jul-17	Aug-19		110 018	40 000	-	(20 000)	20 000
16	P62/1 Bultfontein-Wesselsbron	Road		Lejweleputswa		Road Maint Gr	Individual project	Oct-17	May-19		82 928	46 647	6 000	(6 000)	46 647
17	Maint Cont(GrassCutting)-052/14	Road		FS Province		Road Maint Gr	Packaged Program	Apr-16	Mar-19		105 000	33 000	5 400	-	38 400
18	Maintenance Contracts(CDP)FS /81	Road		FS Province		Road Maint Gr	Packaged Program	Apr-16	Mar-19		1 100 000	100 731	-	(11 000)	89 731
19	P39/1 Bultfontein-Welkom(154/17)	Road		Lejweleputswa		Road Maint Gr	Packaged Program	Jun-16	Jun-18		100 000	50 000	-	(5 000)	45 000
20	REPAIR ROAD DAMAGE & PROTECTIVE STRUCTURES	Road		FS Province		Road Maint Gr	Individual project	Jun-16	Apr-19		200 000	10 000	-	(10 000)	-
21	Road Safety Audits	Road		FS Province		Road Maint Gr	Individual project	Apr-14	On Going		210 000	30 000	-	(10 000)	20 000
22	Road Safety Improvements	Road		FS Province		Road Maint Gr	Individual project	Apr-17	On Going		210 000	20 000	15 000	-	35 000
23	Roads Signs Contract(FS-83-83482)	Road		FS Province		Road Maint Gr	Individual project	Dec-14	Mar-18		30 000	15 000	9 600	-	24 600
24	Phakisa Race Track PRT149/1			Lejweleputswa		Infra Enh All	Individual project	Jun-17	Mar-18		9 742	3 000	-	(3 000)	-
25	Rammulotsi Road PRT 150/17			Fezile Dabi		Infra Enh All	Individual project	Jun-17	Mar-18		8 000	8 000	-	(1 600)	6 400
											<b>5 572 238</b>	<b>780 378</b>	<b>175 800</b>	<b>(168 858)</b>	<b>787 320</b>

Table 10.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
								<b>4. Refurbishment and rehabilitation (R thousand)</b>							
1	P21/3 Hoopstad-Bultfontein*	Road		Lejweleputswa		Road Maint Gr	Individual project	Aug-16	Mar-19		152 000	65 000	10 000	-	
2	P79/1 & S85 Bothaville -Kroonstad*	Road		Lejweleputswa		Road Maint Gr	Individual project	Sep-16	Sep-18		85 000	58 500	-	(15 000)	43 500
3	S44 Deneysville-Heilbron	Road		Fezile Dabi		Road Maint Gr	Individual project	Aug-16	Apr-19		245 100	65 000	10 000	-	75 000
4	P56/1 Kroonstad-Vredefort (Phase 3)	Road		Fezile Dabi		Road Maint Gr	Packaged Program	Jul-16	Jun-17		75 000	40 000		(20 000)	20 000
5	Qwaqwa - Route 4 (Ca) Rietpan (Qogolosi)	Road		Thabo Mofutsanyana		Road Maint Gr	Individual project	May-16	Apr-19		250 000	23 000	11 112		34 112
6	A57 Meadows Road*	Road		Mangaung		Road Maint Gr	Individual project	Sep-14	Jun-16		71 000	3 000		(2 200)	800
7	P56/2 Vredefort-Parys	Road		Fezile Dabi		Road Maint Gr	Individual project	Jun-15	Apr-17		55 700	4 000		(1 000)	3 000
8	Monontsha Border Post RD(FS/55)	Road		Thabo Mofutsanyana		Road Maint Gr	Packaged Program	Jan-10	Sep-16		200 000	2 000		(112)	1 888
9	P17/1 Clocolan -Marquard-PRT63/14	Road		Thabo Mofutsanyana		Road Maint Gr	Individual project						1 558		1 558
11	Tumahole PUB TRANS ROUTE PH3-113	Road		Fezile Dabi		Road Maint Gr	Individual project	Apr-17	May-19		180 000	70 000	1 100		71 100
12	P16/2 Vrede - Memel*	Road		Thabo Mofutsanyana		Road Maint Gr	Individual project	Aug-14	Apr-17		145 200	7 000		(4 000)	3 000
<b>Total refurbishment and rehabilitation</b>											<b>1 459 000</b>	<b>337 500</b>	<b>33 770</b>	<b>(42 312)</b>	<b>328 958</b>

Table 10.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
								Date: Start	Date: Finish				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>5. Non-Infrastructure (R thousand)</b>															
1	Management of Road infrastructure (RAMS)	Road		FS Province		Road Maint Gr	Individual project	Sep-15	On Going		30 000	10 000	10 000		20 000
2	Road Safety Audits	Road		FS Province		Road Maint Gr	Individual project	Apr-14	On Going		210 000	30 000		(13 000)	17 000
3															
<b>TOTAL NON-INFRASTRUCTURE</b>											<b>240 000</b>	<b>40 000</b>	<b>10 000</b>	<b>(13 000)</b>	<b>37 000</b>
<b>TOTAL INFRASTRUCTURE AND NON-INFRASTRUCTURE.</b>											<b>12 843 476</b>	<b>1 157 878</b>	<b>219 570</b>	<b>(240 170)</b>	<b>1 153 278</b>

The table below illustrates the summary of infrastructure adjustment according to infrastructure categories.

**Table 10.8: Summary of adjusted infrastructure appropriation**

2017/18			
Infrastructure	Main Appropriation	Increase/ Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>	<b>1 266 397</b>	<b>(4 600)</b>	<b>1 261 797</b>
Maintenance and repair	847 731	3 942	851 673
Upgrades and additions	13 000		13 000
Refurbishment and rehabilitation	405 666	(8 542)	397 124
<b>New infrastructure assets</b>	<b>49 000</b>	<b>(16 000)</b>	<b>33 000</b>
<b>Infrastructure transfers</b>			
Current			
Capital			
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Non Infrastructure</b>	<b>66 693</b>		<b>66 693</b>
<b>Total Infrastructure</b>	<b>1 382 090</b>	<b>(20 600)</b>	<b>1 361 490</b>

### Aid assistance

No applicable

**VOTE 11:  
DEPARTMENT OF AGRICULTURE & RURAL  
DEVELOPMENT**

**Vote11****Department of Agriculture and Rural Development****Adjusted budget summary**

R thousand	2017/18			Decrease	Increase
	Main appropriation	Special appropriation	Adjusted appropriation		
<b>Total amount to be appropriated</b>	<b>758 809</b>		<b>770 329</b>	<b>(14 427)</b>	<b>25 947</b>
<i>of which economic classification:</i>					
Current payments	436 819		<b>446 396</b>	(3 000)	12 577
Transfers and subsidies	289 964		<b>297 001</b>	(3 927)	10 964
Payments for capital assets	32 026		<b>26 932</b>	(7 500)	2 406
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	369 464		<b>388 209</b>	(927)	19 672
Conditional Grants	239 635		<b>241 980</b>		2 345
Earmarked funds	114 256		<b>104 686</b>	(22 000)	12 430
Provincial Receipts	35 454		<b>35 454</b>		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>758 809</b>		<b>770 329</b>	<b>(22 927)</b>	<b>34 447</b>

Executive Authority

MEC for Agriculture and Rural Development

Accounting Officer

Head of Department: Agriculture and Rural Development

Website address

[www.ard.fs.gov.za](http://www.ard.fs.gov.za)**Purpose**

The vision of the Free State Department of Agriculture and Rural Development is "A dynamic, prosperous agricultural sector and a better life for rural communities.

**Changes to programme purposes, objectives and measures**

The objective of programme 5: Research and Technology Development Services has changed due to transfer of Karee Nursery to the department on programme 5 from the department of Economic, Small Business Development, Tourism and Environmental Affairs.

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2017

Table 11.1(a): Adjusted Estimates per programme

		2017/18							
Programme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation	
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments			
R'thousand									
1. Administration	155 423		1 476		21 191			22 667	178 090
2. Sustainable Resource Management	48 129				(5 801)	(3 000)		(8 801)	39 328
3. Farmer Support & Development	380 013		9 775					9 775	389 788
4. Veterinary Services	69 450				(11 736)			(11 736)	57 714
5. Research & Technology Development Sc	55 744		280		(534)	(4 000)	7 916	3 662	59 406
6. Agricultural Economics Services	10 435				1 029			1 029	11 464
7. Structured Agricultural Education & Trainir	22 110				2 042			2 042	24 152
8. Rural Development	17 505				(6 191)	(927)		(7 118)	10 387
<b>Subtotal</b>	<b>758 809</b>		<b>11 531</b>			<b>(7 927)</b>	<b>7 916</b>	<b>11 520</b>	<b>770 329</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
Item									
<b>Total</b>	<b>758 809</b>		<b>11 531</b>			<b>(7 927)</b>	<b>7 916</b>	<b>11 520</b>	<b>770 329</b>

## Economic classification

Table 11.1(b): Adjusted Estimates by economic classification

		Adjustments Appropriation							
Economic classification	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation	
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments			
R'thousand									
<b>Current payments</b>	<b>436 819</b>		<b>1 311</b>		<b>3 350</b>	<b>(3 000)</b>	<b>7 916</b>	<b>9 577</b>	<b>446 396</b>
Compensation of employees	365 437						2 371	2 371	367 808
Goods and Services	71 382		1 311		3 350	(3 000)	5 545	7 206	78 588
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>289 964</b>		<b>9 775</b>		<b>1 189</b>	<b>(3 927)</b>		<b>7 037</b>	<b>297 001</b>
Provinces and municipalities	66								66
Departmental agencies and accounts	375								375
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	289 523		9 775		1 189	(3 927)		7 037	296 560
<b>Payments for capital assets</b>	<b>32 026</b>		<b>445</b>		<b>(4 539)</b>	<b>(1 000)</b>		<b>(5 094)</b>	<b>26 932</b>
Buildings and other fixed structures	30 756				(6 500)	(1 000)		(7 500)	23 256
Machinery and equipment	1 270		445		1 961			2 406	3 676
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>758 809</b>		<b>11 531</b>			<b>(7 927)</b>	<b>7 916</b>	<b>11 520</b>	<b>770 329</b>

**Programme 1: Administration**

Table 11.1.1: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation	
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds			Other adjustments
R'thousand								
1. Office of the MEC	6 611				(30)	(30)	6 581	
2. Senior Management	36 338				653	653	36 991	
3. Corporate Services	79 929				20864	20 864	100 793	
4. Financial Management	25 984		1476		(596)	880	26 864	
5. Communication	6 561				300	300	6 861	
<b>Total</b>	<b>155 423</b>		<b>1 476</b>		<b>21 191</b>	<b>22 667</b>	<b>178 090</b>	
<b>Economic classification</b>								
<b>Current payments</b>	<b>151 536</b>		<b>1 311</b>		<b>4 582</b>	<b>5 893</b>	<b>157 429</b>	
Compensation of employees	115 040				5979	5 979	121 019	
Goods and Services	36 496		1311		(1 397)	(86)	36 410	
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>2 617</b>				<b>16 000</b>	<b>16 000</b>	<b>18 617</b>	
Provinces and municipalities	66						66	
Departmental agencies and accounts	299						299	
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	2 252				16000	16 000	18 252	
<b>Payments for capital assets</b>	<b>1 270</b>		<b>165</b>		<b>609</b>	<b>774</b>	<b>2 044</b>	
Buildings and other fixed structures								
Machinery and equipment	1 270		165		609	774	2 044	
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>155 423</b>		<b>1 476</b>		<b>21 191</b>	<b>22 667</b>	<b>178 090</b>	

**Programme 2: Sustainable Resource Management**

Table 11.1.2: Adjusted Estimates

		2017/18						
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. Engineering Services	12 010				(292)		(292)	11 718
2. LandCare	20 100				(468)		(468)	19 632
3. Land Use Management	704				15		15	719
4. Disaster Risk Management	15 315				(5 056)	(3 000)	(8 056)	7 259
<b>Total</b>	<b>48 129</b>				<b>(5 801)</b>	<b>(3 000)</b>	<b>(8 801)</b>	<b>39 328</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>29 314</b>				<b>(851)</b>		<b>(851)</b>	<b>28 463</b>
Compensation of employees	26 180				(684)		(684)	25 496
Goods and Services	3 134				(167)		(167)	2 967
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>18 815</b>				<b>(5 040)</b>	<b>(3 000)</b>	<b>(8 040)</b>	<b>10 775</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	18 815				(5 040)	(3 000)	(8 040)	10 775
<b>Payments for capital assets</b>					<b>90</b>		<b>90</b>	<b>90</b>
Buildings and other fixed structures								
Machinery and equipment					90		90	90
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>48 129</b>				<b>(5 801)</b>	<b>(3 000)</b>	<b>(8 801)</b>	<b>39 328</b>

## Programme 3: Farmer Support and Development

Table 11.1.3: Adjusted Estimates

		2017/18						
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. Farmer Settlement and Development	168 592		2 345				2 345	170 937
2. Extension and Advisory Services	210 060		7 430				7 430	217 490
3. Food Security	1 361							1 361
<b>Total</b>	<b>380 013</b>		<b>9 775</b>				<b>9 775</b>	<b>389 788</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>112 408</b>				<b>8 564</b>		<b>8 564</b>	<b>120 972</b>
Compensation of employees	97 905							97 905
Goods and Services	14 503				8564		8 564	23 067
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>267 605</b>		<b>9 775</b>		<b>(9 771)</b>		<b>4</b>	<b>267 609</b>
Provinces and municipalities								
Departmental agencies and accounts	76							76
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	267 529		9 775		(9 771)		4	267 533
<b>Payments for capital assets</b>					<b>1 207</b>		<b>1 207</b>	<b>1 207</b>
Buildings and other fixed structures								
Machinery and equipment					1207		1 207	1 207
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>380 013</b>		<b>9 775</b>				<b>9 775</b>	<b>389 788</b>

## Programme 4: Veterinary Services

Table 11.1.4: Adjusted Estimates

		2017/18					
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds		
R'thousand							
1. Animal Health	42 073			(728)		(728)	41 345
2. Veterinary Public Health	5 520			263		263	5 783
3. Veterinary Laboratory Services	20 558			(10 624)		(10 624)	9 934
4. Export Control	1 299			(647)		(647)	652
<b>Total</b>	<b>69 450</b>			<b>(11 736)</b>		<b>(11 736)</b>	<b>57 714</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>62 950</b>			<b>(5 236)</b>		<b>(5 236)</b>	<b>57 714</b>
Compensation of employees	54 624			(1 678)		(1 678)	52 946
Goods and Services	8 326			(3 558)		(3 558)	4 768
Interest and rent on land							
<b>Transfers and subsidies to</b>							
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
<b>Payments for capital assets</b>	<b>6 500</b>			<b>(6 500)</b>		<b>(6 500)</b>	
Buildings and other fixed structures	6 500			(6 500)		(6 500)	
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>69 450</b>			<b>(11 736)</b>		<b>(11 736)</b>	<b>57 714</b>

## Programme 5: Technology, Research and Development Services

Table 11.1.5: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable /unavoidable Roll-overs	Virements and shifts	Declared unspent funds	Other adjustments		
R'thousand								
1. Research	26 585		280	(388)	(3 000)	7 916	4 808	31 393
2. Technology Transfer Services								
3. Infrastructure Support Services	29 159			(146)	(1 000)		(1 146)	28 013
<b>Total</b>	<b>55 744</b>		<b>280</b>	<b>(534)</b>	<b>(4 000)</b>	<b>7 916</b>	<b>3 662</b>	<b>59 406</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>31 488</b>			<b>(534)</b>	<b>(3 000)</b>	<b>7 916</b>	<b>4 382</b>	<b>35 870</b>
Compensation of employees	29 140			(480)		2 371	1 891	31 031
Goods and Services	2 348			(54)	(3 000)	5 545	2 491	4 839
Interest and rent on land								
<b>Transfers and subsidies to</b>								
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	<b>24 256</b>		<b>280</b>		<b>(1 000)</b>		<b>(720)</b>	<b>23 536</b>
Buildings and other fixed structures	24 256				(1 000)		(1 000)	23 256
Machinery and equipment			280				280	280
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>55 744</b>		<b>280</b>	<b>(534)</b>	<b>(4 000)</b>	<b>7 916</b>	<b>3 662</b>	<b>59 406</b>

**Programme 6: Agricultural Economics Services**

Table 11.1.6: Adjusted Estimates

		2017/18					
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. Agri-Business Support and Development	9 876				1 005	1 005	10 881
2. Macro Economics Support	559				24	24	583
<b>Total</b>	<b>10 435</b>				<b>1 029</b>	<b>1 029</b>	<b>11 464</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>10 435</b>				<b>1 029</b>	<b>1 029</b>	<b>11 464</b>
Compensation of employees	9 561				1 029	1 029	10 590
Goods and Services	874						874
Interest and rent on land							
<b>Transfers and subsidies to</b>							
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households							
<b>Payments for capital assets</b>							
Buildings and other fixed structures							
Machinery and equipment							
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>10 435</b>				<b>1 029</b>	<b>1 029</b>	<b>11 464</b>

## Programme 7: Structured Agricultural

Table 11.1.7: Adjusted Estimates

		2017/18						
Subprogramme	R'thousand	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
				Unforeseeable /unavoidable Roll-overs	Virements and shifts	Declared unspent funds		
1. Higher Education and Training		15 987			2 040		2 040	18 027
2. Further Education and Training (FET)		6 123			2		2	6 125
<b>Total</b>		<b>22 110</b>			<b>2 042</b>		<b>2 042</b>	<b>24 152</b>
<b>Economic classification</b>								
<b>Current payments</b>		<b>22 110</b>			<b>2 042</b>		<b>2 042</b>	<b>24 152</b>
Compensation of employees		17 323			1 935		1 935	19 258
Goods and Services		4 787			107		107	4 894
Interest and rent on land								
<b>Transfers and subsidies to</b>								
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>								
Buildings and other fixed structures								
Machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>		<b>22 110</b>			<b>2 042</b>		<b>2 042</b>	<b>24 152</b>

## Programme 8: Rural Development

Table 11.1.8: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Rural Development Coordination	8 375			(4 361)	(927)		(5 288)	3 087
2. Social Facilitation	9 130			(1 830)			(1 830)	7 300
<b>Total</b>	<b>17 505</b>			<b>(6 191)</b>	<b>(927)</b>		<b>(7 118)</b>	<b>10 387</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>16 578</b>			<b>(6 246)</b>			<b>(6 246)</b>	<b>10 332</b>
Compensation of employees	15 664			(6 101)			(6 101)	9 563
Goods and Services	914			(145)			(145)	769
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>927</b>				<b>(927)</b>		<b>(927)</b>	
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	927				(927)		(927)	
<b>Payments for capital assets</b>				<b>55</b>			<b>55</b>	<b>55</b>
Buildings and other fixed structures								
Machinery and equipment				55			55	55
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>17 505</b>			<b>(6 191)</b>	<b>(927)</b>		<b>(7 118)</b>	<b>10 387</b>

## Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017

### Roll-overs - R11.531 million

Roll-over received in 2017/18 financial year.

- Equitable Share R1.756 million
- Infrastructure Enhancement Allocation R7.430 million
- Conditional grant R2.345 million

### Unforeseeable and unavoidable expenditure

No unforeseeable and unavoidable funds received in 2017/18 adjustments to Estimates of Provincial Revenue & Expenditure.

### Virements and shifts

There were several virements and shifts of funds between main divisions of the vote during the current financial year. The virements were as follows:

#### Programme 1: Administration

An amount of R21.191 million was effected as a virement from different programmes. Programme 4: Veterinary Services reprioritised an amount of R10.000 million from Infrastructure Enhancement Allocation (IEA) to programme 1: Administration on transfers and subsidies for International Students who are studying Agricultural related courses. A further amount of R5.000 million was also redirected to programme 1: Administration to augment pressure on bursaries for International Students. An amount of R5.979 million from compensation of employees received from different programmes to avoid possible over expenditure on compensation. The amount of R0.162 million received from other programmes relief pressure on sub-programme: Management: Agricultural Development Support & Livelihood.

#### Programme 2: Sustainable Resources Management

Sustainable Resource Management realized an amount of R5.801 million as a virements to avoid excess over expenditure on other programmes within the main programme. An amount of R5.000 million was reprioritised from Drought Relief allocation to supplement bursaries for International Students who are studying Agricultural courses. The programme also realised an amount of R0.801 million from compensation of employees to augment compensation of employees in programme 1.

### **Programme 3: Farmer Support and Development**

Farmer Support and Development shifted an amount of R9.771 million on conditional grant (CASP) to correct the allocation between transfers and goods and services. An amount of R1.207 million was shifted from goods and services to capital payments to procure computer equipment for 30 newly appointed Agricultural Advisors.

### **Programme 4: Veterinary Services**

Veterinary Services effected virement amounting to R11.736 million. The amount of R10.000 million moved to programme 1: Administration to bursaries for International Students. R1.678 million moved from compensation of employees to programme 6: Agricultural Economics Services to relief pressure on compensation of employees. The amount of R0.058 million was also moved to programme 1: Administration to goods and services.

### **Programme 5: Research & Technology Development Service**

Programme 5 effected virement amounting to R0.534 million. An amount of R0.480 million was from compensation of employees to programme 1: Administration to supplement shortfall on compensation of employees. The programme also moved an amount of R0.054 million to programme 7: Structured Agricultural Education and Training to augment goods and services.

### **Programme 6: Agricultural Economics Services**

The programme received an amount of R1.029 million from programme 8: Rural Development to realize pressure on compensation of employees.

### **Programme 7: Structured Agricultural Education and Training**

The programme received an amount of R2.042 million. The amount of R1.935 million allocated to compensation of employees and R0.107 million allocated to goods and services.

### **Programme 8: Rural Development**

The programme effected a virement amounting to R6.191 million to other programmes within the main programme. The amount of R 6.101 million was saving on compensation of employees and moved to programme 1 and programme 7. The amount of R0.090 thousand effected as a virements from goods and services to programme 1 on goods and services. The amount of R0.055 million was shifted within the programmes from goods and services to capital payment to procure computer equipment.

## Virements and shifts

Table 11.2: Details on virements and shifts

Programmes					
1. Administration		(903)	1. Administration		22 094
2. Sustainable Resource Management		(6 182)	2. Sustainable Resource Management		381
3. Farmer Support & Development			3. Farmer Support & Development		
4. Veterinary Services		(12 995)	4. Veterinary Services		1 259
5. Research & Technology Development Serv		(568)	5. Research & Technology Development Serv		34
6. Agricultural Economics Services			6. Agricultural Economics Services		1 029
7. Structured Agricultural Education & Training		(142)	7. Structured Agricultural Education & Training		2 184
8. Rural Development		(6 261)	8. Rural Development		70
<b>Total</b>		<b>(27 051)</b>			<b>27 051</b>

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1</b>			<b>Programme 1</b>		
<b>Compensation of employees</b>			<b>Compensation of employees</b>		
		(1 983)		Saving on compensation from various programmes to avoid shortfall on compensation on programme 1.	5 979
<b>Goods and services</b>	Shift of funds on goods & services between sub-programmes within the main programme to avoid the over expenditure.	(1 859)	<b>Goods and services</b>	Shift of funds within main programme to relief pressure on sub-programme: Communication Services.	462
<b>Transfers and subsidies</b>			<b>Transfers and subsidies</b>	Earmarked fund repriorities to pay bursaries for international students who are studying agricultural related courses. Also R1 million from goods and services to transfers for NGO	16 000
<b>Machinery and equipment</b>	Funds moved to goods and services to relieve pressure	(124)	<b>Goods and services Machinery and equipment</b>	Reprioritised funds from goods & services to procure Machinery & Equipments	733
<b>Percentage of programme budget</b>			<b>12%</b>		
<b>Programme 2</b>			<b>Programme 2</b>		
<b>Compensation of employees</b>			<b>Compensation of employees</b>		
	Saving on compensation moved to programme 1 to avoid shortfall on compensation.	(1 040)		Funds shifted between sub-programmes to avoid over-expenditure on other sub-programmes.	356
<b>Goods and services</b>	Saving on goods & services redirected to programme 7 to relief pressure.	(249)	<b>Goods and services</b>	Goods and services shifted within the programme between sub-programmes to avoid over expenditure.	82
<b>Transfers and subsidies</b>	Earmarked fund reprioritised to programme 1 for bursaries. Correction between transfers and goods and services on Landcare	(5 040)	<b>Transfers and subsidies</b>		
<b>Machinery and equipment</b>			<b>Machinery and equipment</b>	Funds made available from goods and services to procure Machinery & Equipment.	90
<b>Percentage of programme budget</b>			<b>14%</b>		
<b>Programme 3</b>			<b>Programme 3</b>		
<b>Goods and services</b>			<b>Goods and services</b>		
		(9 771)		Correction of allocation on conditional grant between transfers and goods and services	8 564
<b>Transfers and subsidies</b>	Correction of allocation on conditional grant between transfers and goods and services	(9 771)	<b>Transfers and subsidies</b>		
<b>Machinery and equipment</b>			<b>Machinery and equipment</b>	Funds shifted from goods and services to procure computers for new appointments of Agricultural advisors	1 207
<b>Percentage of programme budget</b>			<b>3%</b>		
<b>Programme 4</b>			<b>Programme 4</b>		
<b>Compensation of employees</b>			<b>Compensation of employees</b>		
	Saving on compensation moved to programme 1 to avoid shortfall on compensation.	(2 958)		Saving on compensation within the main programme to avoid over expenditure on other sub-programmes.	1 280
<b>Goods and services</b>	Shifting of funds between sub-programmes and Earmarked fund reprioritised to programme 1 for bursaries	(3 579)	<b>Goods and services</b>	Shifting of funds between sub-programmes	21
<b>Transfers and subsidies</b>			<b>Transfers and subsidies</b>		
<b>Machinery and equipment</b>	Earmarked fund reprioritised to programme 1 for bursaries	(6 500)	<b>Machinery and equipment</b>		
<b>Percentage of programme budget</b>			<b>20%</b>		

Table 11.2: Details on virements and shifts

Cont...

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
Programme 5		(568)	Programme 5		34
Compensation of employees	Saving on compensation moved to programme 1 to avoid shortfall on compensation.	(480)	Compensation of employees		
Goods and services	Virement and shift of funds within and to other programme to avoid over expenditure.	(88)	Goods and services	Saving on goods and services moved between the sub- programmes	34
Percentage of programme budget		2%			
Programme 6			Programme 6		1 029
Compensation of employees			Compensation of employees	Compensation moved from other programmes to avoid shortfall	1 029
Percentage of programme budget		9%			
Programme 7		(142)	Programme 7		2 184
Compensation of employees	Funds shifted between the sub-programmes	(102)	Compensation of employees	Compensation moved from other programmes to avoid shortfall	2 037
Goods and services	Shift of funds between the sub-programmes.	(40)	Goods and services	Saving on goods and services from other programmes to avoid over-expenditure on goods and service.	147
Percentage of programme budget		8%			
Programme 8		(6 274)	Programme 8		83
Compensation of employees	Saving on compensation moved to programme 1, 6 and 7 to avoid shortfall on compensation.	(6 101)	Compensation of employees		
Goods and services	Saving on goods and services moved to programme 1	(173)	Goods and services	Shifting of funds between sub-programmes	28
Machinery and equipment			Machinery and equipment	Funds made available from goods and services to procure computer equipment	55
Percentage of programme budget		68%			
Total		(38 104)			38 104

### Other adjustments - R7.916 million

The department received an amount of R7.916 million from department of Economic, Small Business Development, Tourism and Environmental Affairs. The funding is mainly for the transfer of Horticulture function.

### Adjustments due to significant and unforeseeable economic and financial events

No amount allocated due to significant and unforeseeable economic and financial events.

### Use of funds in emergency situations in terms of section 16 of the PFMA

No funds are allocated in emergency situations in terms of section 16 of the PFMA.

## **Self-financing expenditure**

### **Funds shifted between votes following a transfer of function - R7.916 million**

The department received a total amount of R7.371 million from department of Economic, Small Business Development, Tourism and Environmental Affairs. The funding is mainly for the transfer of Horticulture function (Karee Nursery).

Transfer of twenty three (23) officials of Karee Nursery to the department with effect from 1<sup>st</sup> November 2017. An amount of R2.371 million has been transferred to the department for compensation of employees. Further amount of R5.000 million that was budgeted for Karee Nursery infrastructure was also transferred to the department and R0.545 million for operation of the function.

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

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

### **Gifts, donations and sponsorships**

The department have awarded an amount more than R0.100 million cash for outstanding effort to the Female Entrepreneur Awards in 2017/18 financial year.

### **Declared savings - (R7.927 million)**

A total amount of R7.927 million was declared a saving and surrendered to Provincial Treasury during 2017/18 adjustment budget.

**Expenditure 2016/17 and preliminary expenditure 2017/18**

Table 11.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Adjusted /Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	156 528	80 983	51.7%	158 752	101.4%	178 090	23.1%	85 633	48.1%
2. Sustainable Resource Management	33 635	16 314	48.5%	33 675	100.1%	39 328	5.1%	17 679	45.0%
3. Farmer Support & Development	394 827	151 844	38.5%	385 638	97.7%	389 788	50.6%	102 435	26.3%
4. Veterinary Services	59 149	26 756	45.2%	55 622	94.0%	57 714	7.5%	28 953	50.2%
5. Research & Technology Development Serv	55 876	18 379	32.9%	55 815	99.9%	59 406	7.7%	26 592	44.8%
6. Agricultural Economics Services	10 262	5 148	50.2%	10 050	97.9%	11 464	1.5%	6 055	52.8%
7. Structured Agricultural Education & Training	21 458	10 202	47.5%	20 410	95.1%	24 152	3.1%	13 175	54.6%
8. Rural Development	18 946	6 869	36.3%	13 967	73.7%	10 387	1.3%	4 429	42.6%
<b>Subtotal</b>	<b>750 681</b>	<b>316 495</b>	<b>42.2%</b>	<b>733 929</b>	<b>97.8%</b>	<b>770 329</b>	<b>100.0%</b>	<b>284 951</b>	<b>37.0%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>750 681</b>	<b>316 495</b>	<b>42.2%</b>	<b>733 929</b>	<b>97.8%</b>	<b>770 329</b>	<b>100.0%</b>	<b>284 951</b>	<b>37.0%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>425 947</b>	<b>207 548</b>	<b>48.7%</b>	<b>423 039</b>	<b>99.3%</b>	<b>446 396</b>	<b>57.9%</b>	<b>218 479</b>	<b>48.9%</b>
Compensation of employees	350 191	174 055	49.7%	341 103	97.4%	367 808	47.7%	185 979	50.6%
Goods and services	75 751	33 489	44.2%	81 932	108.2%	78 588	10.2%	32 500	41.4%
Interest and rent on land	5	4	80.0%	4	80.0%				
<b>Transfers and subsidies</b>	<b>302 455</b>	<b>106 843</b>	<b>35.3%</b>	<b>281 151</b>	<b>93.0%</b>	<b>297 001</b>	<b>38.6%</b>	<b>54 266</b>	<b>18.3%</b>
Provinces and municipalities	63		0.0%	183	290.5%	66	0.0%		
Departmental agencies and accounts	357		0.0%	892	249.9%	375	0.0%		
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	302 035	106 843	35.4%	280 076	92.7%	296 560	38.5%	54 266	18.3%
<b>Payments for capital assets</b>	<b>22 279</b>	<b>2 103</b>	<b>9.4%</b>	<b>28 644</b>	<b>128.6%</b>	<b>26 932</b>	<b>3.5%</b>	<b>12 206</b>	<b>45.3%</b>
Buildings and other fixed structures	20 419	1 329	6.5%	21 973	107.6%	23 256	3.0%	11 198	48.2%
Machinery and equipment	1 860	774	41.6%	6 671	358.7%	3 676	0.5%	1 008	27.4%
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>		<b>1</b>	<b>0.0%</b>	<b>1 095</b>	<b>0.0%</b>				
<b>Total</b>	<b>750 681</b>	<b>316 495</b>	<b>42.2%</b>	<b>733 929</b>	<b>97.8%</b>	<b>770 329</b>	<b>100.0%</b>	<b>284 951</b>	<b>37.0%</b>

## **Main expenditure trends for the first half of the 2017/18 financial year**

Expenditure in the first six months of 2017/18 financial year amounted to R284.951 million or 37 percent of the Adjusted Budget as compared to 42.2 percent for 2016/17 in the same period. The main reasons for the spending trends are as follows:

### **Programme 1: Administration**

Expenditure from this programme is at 48.1 percent at the end of the second quarter. The programme spent more or less in line with the required benchmark of 50 percent for the second quarter. The expenditure is expected to rise during the third and fourth quarter of the financial year. However it is expected that the programme will break-even at the end of the financial year.

### **Programme 2: Sustainable Resource Management**

The programme spent 41.8 percent at the end of the second quarter. The programme has implemented its projects effectively that related to Land Care in the first six months of the financial year. The slow spending was realised on the earmarked funds for drought relief due to supply chain tender procedures. No over or under expenditure is foreseen on this programme at the end of the financial year.

### **Programme 3: Farmer Support and Development**

The programme is expending slow from the beginning of the financial year. The programme spent 26.3 percent at the end of the second quarter. The spending is due to CASP and Ilima/Letsema Conditional Grants projects still under implementation. It is expected that the expenditure will increase in the third quarter of the financial year as the all projects are up and running and according to plans.

### **Programme 4: Veterinary Services**

The programme spent 50.2 percent at the end of the second quarter. The programme is spending according to required benchmark and it is also anticipated that the programme will break-even at the end of financial year.

### **Programme 5: Technology, Research and Development Services**

The programme spent 41.9 percent of the allocated budget. The programme is more or less in line with the required benchmark. The spending on Infrastructure Enhancement Allocation (IEA) is also spending in line with the required benchmark.

### **Programme 6: Agricultural Economics**

Programme 6 indicate slightly 2 percent or 3 percent over the required benchmark. Control measures have been put in place to avoid excess over expenditure on this programme as it emanate from goods and services.

### **Programme 7: Structure Agricultural Training**

The programme spent 54.6 percent at the end of the first six months, the expenditure is expected to decrease in the third quarter as the College break for the December holidays. The main spending on this programme is on good and services which related to students groceries.

### **Programme 8: Rural Development**

Programme 8 spent 39.1 percent at the end of first six months, the expenditure is anticipated to increase in third and fourth quarter of 2017/18 financial year.

## Current Payments

Current expenditure spent R218.479 million or 49.5 percent of the adjusted budget at the end of the first six months. The spending on compensation of employees is on par with the required benchmark. It is estimated that goods and services spending will expedite in the third and fourth quarter.

## Transfers and subsidies

Transfer payments spent R54.266 million or 18.1 percent during the first six months of the financial year. The slow spending is on CASP and Ilima/Letsema projects as alluded in programme 3 due to implementation of the projects. All the processes have been concluded and the projects will spend in third and fourth quarter.

## Payments for capital assets

The spending on payments for capital assets is at 45.3 percent at the end of second quarter. The expenditure is anticipated to increase in the third quarter as the procurement of 30 newly appointed Agricultural Advisors computer equipment's take place and the Glen upgrading project will be further implemented.

## Departmental receipts

Table 11.4: Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Budget estimate	Adjusted estimate	Adjusted receipts / Total (%)	Apr 2017 - Sep 2017	
		Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)				Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Departmental receipts</b>	<b>2 825</b>	<b>1 199</b>	<b>42.4%</b>	<b>4 007</b>	<b>141.8%</b>	<b>2 230</b>	<b>2 355</b>	<b>100.0%</b>	<b>1 199</b>	<b>50.9%</b>
Tax receipts										
Sales of goods and services other than capital receipts	1 932	869	45.0%	2 180	112.8%	1 988	2 108	89.5%	1 045	49.6%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	2	1	50.0%	3	150.0%	2	2	0.1%	1	50.0%
Sales of capital assets	492		0.0%	349	70.9%	66				
Financial transactions in assets and liabilities	399	329	82.5%	1 475	369.7%	174	245	10.4%	153	62.4%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	<b>2 825</b>	<b>1 199</b>	<b>42.4%</b>	<b>4 007</b>	<b>141.8%</b>	<b>2 230</b>	<b>2 355</b>	<b>100.0%</b>	<b>1 199</b>	<b>50.9%</b>

## Main departmental revenue trends for the first half of 2017/18

The departmental revenue trends at the end of second quarter is at 53.8 percent. The collection on sales of goods and services other than capital assets and interest, dividends and rent on land are in line with the projected collection at the end of the second quarter. The more collection was realised on the financial transactions in assets and liabilities. After the review of the first six months trends on revenue collection, the department and Provincial Treasury have decided to leave revenue budget unchanged.

## Changes to transfers and subsidies, including conditional grants

Table 11.5: Summary of changes to transfers and subsidies per programme

		2017/18							
		Adjustment appropriation					Total adjustments appropriation	Adjusted appropriation	
R thousand	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds adjustments			Other adjustments
<b>1. Administration</b>	<b>2 617</b>				<b>16 000</b>			<b>16 000</b>	<b>18 617</b>
<b>Economic sphere</b>									
<b>Current/Capital</b>									
Province and municipalities	66								66
Departmental agencies and accounts	299								299
Households	2 252				16 000			16 000	18 252
<b>2. Sustainable Resource Management</b>	<b>18 815</b>				<b>(5 040)</b>	<b>(3 000)</b>		<b>(8 040)</b>	<b>10 775</b>
<b>Economic sphere</b>									
<b>Current/Capital</b>									
Economic classification item									
Households	18 815				(5 040)	(3 000)		(8 040)	10 775
<b>3. Farmer Support and Development</b>	<b>267 605</b>		<b>9 775</b>		<b>(9 771)</b>			<b>4</b>	<b>267 609</b>
<b>Economic sphere</b>									
<b>Current/Capital</b>									
Departmental agencies and accounts	76								76
Households	267 529		9 775		(9 771)			4	267 533
<b>8. Rural Development</b>	<b>927</b>						<b>(927)</b>	<b>(927)</b>	
<b>Economic sphere</b>									
<b>Current/Capital</b>									
Economic classification item									
Households	927						(927)	(927)	
<b>Total transfers and subsidies</b>	<b>289 964</b>		<b>9 775</b>		<b>1 189</b>	<b>(3 927)</b>		<b>7 037</b>	<b>297 001</b>
<b>1 Administration</b>	<b>2 617</b>				<b>16 000</b>			<b>16 000</b>	<b>18 617</b>
<b>Current</b>									
<b>Non Profit Institution</b>									
Province and municipalities	66								66
AgriSita	299								299
<b>Households</b>									
H/H: Bursaries (Non Employee)					16 000			16 000	16 000
H/H Empl Social Benefit- Cash Res	2 252								2 252
<b>2. Sustainable Resource Management</b>	<b>18 815</b>				<b>(5 040)</b>	<b>(3 000)</b>		<b>(8 040)</b>	<b>10 775</b>
<b>Current</b>									
<b>Households</b>									
Drought Relief	13 000				(5 040)	(3 000)		(8 040)	4 960
LandCare projects	5 815								5 815
<b>3. Farmer Support and Development</b>	<b>267 605</b>		<b>9 775</b>		<b>(9 771)</b>			<b>4</b>	<b>267 609</b>
<b>Current/Capital</b>									
AgriSita	76								76
<b>Households</b>									
CASP/Illima/Mohoma/EPWP	267 529		9 775		(9 771)			4	267 533
<b>8 Rural Development</b>	<b>927</b>						<b>(927)</b>	<b>(927)</b>	
<b>Current</b>									
<b>Households</b>									
Transfer to household	927						(927)	(927)	
<b>Total transfers and subsidies</b>	<b>289 964</b>		<b>9 775</b>		<b>1 189</b>	<b>(3 927)</b>		<b>7 037</b>	<b>297 001</b>

Table 11.6(a): Summary of changes to conditional grants

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds		
<b>1. Programme 2: Sustainable Resource Management</b>	<b>5 865</b>							<b>5 865</b>
Economic sphere								
Current/Capital								
Land Care								
Households	5 865							5 865
<b>2. Programme 3: Farmer Support and Development</b>	<b>233 770</b>		<b>2 345</b>				<b>2 345</b>	<b>236 115</b>
Economic sphere								
Current/Capital								
CASP								
Household	168 592		2 345				2 345	170 937
Ililima								
Household	63 178							63 178
EPWP								
Household	2 000							2 000
<b>Total conditional grants</b>	<b>239 635</b>		<b>2 345</b>				<b>2 345</b>	<b>241 980</b>

Table 11.6(b): Summary of changes to provincial earmarked funds

R thousand	2017/18							Adjusted appropriation	
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation		
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent funds			Other adjustments
<b>1. Programme 1:Administration</b>	<b>6 000</b>							<b>6 000</b>	
Economic sphere									
Current/Capital									
NGO purification	1 000							1 000	
Office Maintenance	5 000							5 000	
<b>2. Programme 2: Sustainable Resource Management</b>	<b>13 000</b>				(5 000)	(3 000)	(8 000)	<b>5 000</b>	
Economic sphere									
Current/Capital									
Disaster management (incl army worms)	3 000					(3 000)	(3 000)		
Drought Relief	10 000				(5 000)		(5 000)	5 000	
<b>3. Programme 3: Farmer Support and Development</b>	<b>60 000</b>		<b>7 430</b>				<b>7 430</b>	<b>67 430</b>	
Economic sphere									
Current/Capital									
Household (Mohoma mobung)	60 000		7 430				7 430	67 430	
<b>4. Programme 4: Verterinary Services</b>	<b>10 000</b>				(10 000)		(10 000)		
Economic sphere									
Current/Capital									
Building and other fixed structure (Vet lab)	10 000				(10 000)		(10 000)		
<b>5. Programme 5: Research and Technology Development Services</b>	<b>24 256</b>					(4 000)	5 000	<b>25 256</b>	
Economic sphere									
Current/Capital									
Infrastructure Enhancement Allocation (Karee)						(3 000)	5 000	2 000	
Water prurification Glen farm	24 256					(1 000)		23 256	
<b>6. Programme 7: Structured Agricultural Education and Traning</b>	<b>1 000</b>							<b>1 000</b>	
Economic sphere									
Current/Capital									
Office maintenance	1 000							1 000	
<b>Total earmarked funds</b>	<b>114 256</b>		<b>7 430</b>		<b>(15 000)</b>	<b>(7 000)</b>	<b>5 000</b>	<b>(9 570)</b>	<b>104 686</b>

2017 Adjusted Estimates of Provincial Revenue & Expenditure

Revised Infrastructure project list

Table 11.7: Revised infrastructure project list																		
No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration		Programme	Total project cost	Expenditure (from start of project until 31 March 2017)	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18	Expenditure as at 30 September 2017	
								Date: Start	Date: Finish					Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)			
<b>3. Upgrades and additions (R thousand)</b>																		
1	Glen upgrade	Upgrade of Glen Agricultural Institution	Lejweleputswa - Glen	Masilonyana	Glen	IEA	Packaged	01/01/2006	31/03/2025	Programme 5	450 000		24 256		(1 000)	23 256	11 198	
2	Vet Lab Upgrade	Upgrade of Veterinary Laboratories	Lejweleputswa - Glen	Masilonyana	Glen	IEA	Individual	01/04/2014	31/03/2020	Programme 4	220 000		10 000		(10 000)			
<b>Total upgrades and additions</b>												<b>34 256</b>		<b>(11 000)</b>	<b>23 256</b>	<b>11 198</b>		
<b>3. Maintenance (R thousand)</b>																		
1	Karee Nursery	Construction of new office	Mangaung	Mangaung	Bloemfontein	IEA	Individual	01/04/2014	31/03/2017	Programme 5	25 000			2 000		2 000		
2	Karee Nursery	Upgrade of hydroponic and irrigation sys	Mangaung	Mangaung	Bloemfontein	IEA	Packaged			Programme 5				3 000	(3 000)			
<b>Total infrastructure transfer capital</b>														<b>5 000</b>	<b>(3 000)</b>	<b>2 000</b>		
<b>4. Infrastructure transfer capital (R thousand)</b>																		
1	Mohoma mobung	All Disticts	All	All	All	IEA	Packaged	01/04/2016	31/03/2025	Programme 3	500 000	112 122	60 000	7 430		67 430	24 883	
<b>Total infrastructure transfer capital</b>														<b>60 000</b>	<b>7 430</b>		<b>67 430</b>	<b>24 883</b>
<b>TOTAL INFRASTRUCTURE</b>														<b>106 027</b>	<b>12 430</b>	<b>(14 000)</b>	<b>104 457</b>	<b>36 081</b>
<b>TOTAL NON-INFRASTRUCTURE</b>														<b>225 999</b>	<b>2 345</b>		<b>228 344</b>	<b>33 751</b>
<b>TOTAL INFRASTRUCTURE AND NON-INFRASTRUCTURE</b>														<b>332 026</b>	<b>14 775</b>	<b>(14 000)</b>	<b>104 457</b>	<b>69 832</b>

The table below illustrates the summary of infrastructure adjustment according to infrastructure categories.

**Table 11.8: Summary of adjusted infrastructure appropriation**

2017/18			
Infrastructure	Main Appropriation	Increase/ Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>	<b>46 027</b>	<b>(9 000)</b>	<b>37 027</b>
Maintenance and repair	6 000	2 000	8 000
Upgrades and additions	40 027	(11 000)	29 027
Refurbishment and rehabilitation			
<b>New infrastructure assets</b>			
<b>Infrastructure transfers</b>	<b>60 000</b>	<b>7 430</b>	<b>67 430</b>
Current			
Capital	60 000	7 430	67 430
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Total Infrastructure</b>	<b>106 027</b>	<b>(1 570)</b>	<b>104 457</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>	<b>9 500</b>	<b>(1 500)</b>	<b>8 000</b>
Compensation of employees			
Goods and Services	9 500	(1 500)	8 000
Interest and rent on land			
<b>Transfers and subsidies to</b>	<b>65 771</b>	<b>7 430</b>	<b>73 201</b>
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households	65 771	7 430	73 201
<b>Payments for capital assets</b>	<b>30 756</b>	<b>(7 500)</b>	<b>23 256</b>
Buildings and other fixed structures	30 756	(7 500)	23 256
Machinery and equipment			
Cultivated assets			
Software and other intangible assets			
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>106 027</b>	<b>(1 570)</b>	<b>104 457</b>

## Aid Assistance

Not applicable

**VOTE 12:**

**DEPARTMENT OF SPORTS, ARTS,  
CULTURE & RECREATION**

**Vote 12****Department of Sport, Arts, Culture and Recreation****Adjusted budget summary**

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>687 295</b>		<b>687 295</b>	<b>(12 711)</b>	<b>12 711</b>
<b>of which economic classification:</b>					
Current payments	468 165		<b>474 657</b>	(484)	6 976
Transfers and subsidies	96 319		<b>95 803</b>	(516)	
Payments for capital assets	122 811		<b>116 835</b>	(11 711)	5 735
Payments for financial assets					
<b>of which source of funding:</b>					
Equitable Share	213 390		<b>226 101</b>		12 711
Conditional Grants	258 291		<b>258 291</b>		
Earmarked funds	149 286		<b>136 575</b>	(12 711)	
Provincial Receipts	66 328		<b>66 328</b>		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>687 295</b>		<b>687 295</b>	<b>(12 711)</b>	<b>12 711</b>
<b>Amount not to be appropriated - Aid Assistance</b>			<b>582</b>		<b>582</b>
<b>Executive Authority</b>	<b>MEC for Sport, Arts, Culture and Recreation</b>				
<b>Accounting Officer</b>	<b>Head of Department: Sport, Arts, Culture and Recreation</b>				
<b>Website address</b>	<b><a href="http://www.fssacr.gov.za">www.fssacr.gov.za</a></b>				

**Vote Purpose**

The mandate of the department is to manage and promote sport and recreation development, arts and culture and to render library, information and archive services in the Province.

**Changes to programme purposes, objectives and measures**

There are no changes to programme purposes and measurable objectives

## Adjusted Estimates of Provincial Revenue &amp; Expenditure 2017

Table 12.1(a): Adjusted Estimates per programme

2017/18								
Programme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Administration	88 441				(5)		(5)	88 436
2. Cultural Affairs	151 901				2 050		2 050	153 951
3. Library and Archives Services	247 226				(29 207)		(29 207)	218 019
4. Sport and Recreation	199 727				27 162		27 162	226 889
<b>Subtotal</b>	<b>687 295</b>							<b>687 295</b>
<b>Direct charge against the Provincial Revenue Fund</b>								
Item								
<b>Total</b>	<b>687 295</b>							<b>687 295</b>

Table 12.1(b): Adjusted Estimates by economic classification

2017/18								
Economic classification	Main appropriation	Special appropriation	Adjustments Appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements / unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
<b>Current payments</b>	<b>468 165</b>				<b>6 492</b>		<b>6 492</b>	<b>474 657</b>
Compensation of employees	315 390				(18 991)		(18 991)	296 399
Goods and Services	152 775				25 483		25 483	178 258
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>96 319</b>				<b>(516)</b>		<b>(516)</b>	<b>95 803</b>
Provinces and municipalities	7 500							7 500
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	88 819				(1 281)		(1 281)	87 538
Households					765		765	765
<b>Payments for capital assets</b>	<b>122 811</b>				<b>(5 976)</b>		<b>(5 976)</b>	<b>116 835</b>
Buildings and other fixed structures	120 254				(11 711)		(11 711)	108 543
Machinery and equipment	2 557				5 735		5 735	8 292
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>687 295</b>							<b>687 295</b>

**Programme 1: Administration**

Table 12.1.1: Adjusted Estimates

		2017/18					
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustment appropriation	Adjusted appropriation
			Unforeseeable Roll-overs	Virements /unavoidable and shifts	Declared unspent funds		
R'thousand							
1. Office of the MEC	46 090			(2 070)		(2 070)	44 020
2. Corporate Services	42 351			2 065		2 065	44 416
<b>Total</b>	<b>88 441</b>			<b>(5)</b>		<b>(5)</b>	<b>88 436</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>88 103</b>			<b>(630)</b>		<b>(630)</b>	<b>87 473</b>
Compensation of employees	74 226			(2 986)		(2 986)	71 240
Goods and Services	13 877			2 356		2 356	16 233
Interest and rent on land							
<b>Transfers and subsidies to</b>				<b>89</b>		<b>89</b>	<b>89</b>
Provinces and municipalities							
Departmental agencies and accounts							
Universities and technikons							
Public corporations and private enterprises							
Foreign governments and international organisations							
Non-profit institutions							
Households				89		89	89
<b>Payments for capital assets</b>	<b>338</b>			<b>536</b>		<b>536</b>	<b>874</b>
Buildings and other fixed structures							
Machinery and equipment	338			536		536	874
Cultivated assets							
Software and other intangible assets							
Land and subsoil assets							
Heritage assets							
<b>Payments for financial assets</b>							
<b>Total</b>	<b>88 441</b>			<b>(5)</b>		<b>(5)</b>	<b>88 436</b>

**Programme 2: Cultural Affairs**

Table 12.1.2: Adjusted Estimates

2017/18								
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Management	2 538				(1 371)		(1 371)	1 167
2. Arts and Culture	107 810				5 592		5 592	113 402
3. Museum Services	32 714				(3 671)		(3 671)	29 043
4. Heritage Resource Services	3 874				1 500		1 500	5 374
5. Language Services	4 965							4 965
<b>Total</b>	<b>151 901</b>				<b>2 050</b>		<b>2 050</b>	<b>153 951</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>132 303</b>				<b>9 207</b>		<b>9 207</b>	<b>141 510</b>
Compensation of employees	66 568				(4 753)		(4 753)	61 815
Goods and Services	65 735				13 960		13 960	79 695
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>7 250</b>				<b>3 737</b>		<b>3 737</b>	<b>10 987</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	7 250				3 380		3 380	10 630
Households					357		357	357
<b>Payments for capital assets</b>	<b>12 348</b>				<b>(10 894)</b>		<b>(10 894)</b>	<b>1 454</b>
Buildings and other fixed structures	12 186				(11 173)		(11 173)	1 013
Machinery and equipment	162				279		279	441
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>151 901</b>				<b>2 050</b>		<b>2 050</b>	<b>153 951</b>

### Programme 3: Library and Archive Services

Table 12.1.3: Adjusted Estimates

		2017/18						
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. Management	4 090				(1 000)		(1 000)	3 090
2. Library Services	233 690				(26 240)		(26 240)	207 450
3. Archives Services	9 446				(1 967)		(1 967)	7 479
<b>Total</b>	<b>247 226</b>				<b>(29 207)</b>		<b>(29 207)</b>	<b>218 019</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>169 287</b>				<b>(7 063)</b>		<b>(7 063)</b>	<b>162 224</b>
Compensation of employees	129 981				(11 918)		(11 918)	118 063
Goods and Services	39 306				4 855		4 855	44 161
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>7 500</b>				<b>33</b>		<b>33</b>	<b>7 533</b>
Provinces and municipalities	7500							7 500
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households					33		33	33
<b>Payments for capital assets</b>	<b>70 439</b>				<b>(22 177)</b>		<b>(22 177)</b>	<b>48 262</b>
Buildings and other fixed structures	68 390				(26 756)		(26 756)	41 634
Machinery and equipment	2 049				4 579		4 579	6 628
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>247 226</b>				<b>(29 207)</b>		<b>(29 207)</b>	<b>218 019</b>

**Programme 4: Sport and Recreation**

Table 12.1.4: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements and shifts	Declared unspent funds		
R'thousand								
1. Management	68 016							68 016
2. Sport	76 478				25 926		25 926	102 404
3. Recreation	27 198				736		736	27 934
4. School Sport	28 035				500		500	28 535
<b>Total</b>	<b>199 727</b>				<b>27 162</b>		<b>27 162</b>	<b>226 889</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>78 472</b>				<b>4 978</b>		<b>4 978</b>	<b>83 450</b>
Compensation of employees	44 615				666		666	45 281
Goods and Services	33 857				4 312		4 312	38 169
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>81 569</b>				<b>(4 375)</b>		<b>(4 375)</b>	<b>77 194</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions	81 569				(4 661)		(4 661)	76 908
Households					286		286	286
<b>Payments for capital assets</b>	<b>39 686</b>				<b>26 559</b>		<b>26 559</b>	<b>66 245</b>
Buildings and other fixed structures	39 678				26 218		26 218	65 896
Machinery and equipment	8				341		341	349
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Heritage assets								
<b>Payments for financial assets</b>								
<b>Total</b>	<b>199 727</b>				<b>27 162</b>		<b>27 162</b>	<b>226 889</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017****Roll-overs – R00.000 million**

None applicable

**Unforeseeable and unavoidable expenditure – R00.000 million**

None applicable

## Virements and shifts

Table 12.2: Details on virements and shifts

Programmes					
1. Administration		(3 099)	1. Administration		3 094
2. Cultural Affairs		(44 882)	2. Cultural Affairs		46 932
3. Library and Archives Services		(29 707)	3. Library and Archives Services		500
4. Sport and Recreation		(27 984)	4. Sport and Recreation		55 146
<b>Total</b>		<b>(105 672)</b>			<b>105 672</b>
FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 2</b>		<b>(6 711)</b>	<b>Programme 2</b>		<b>28 089</b>
Buildings and other fixed structures	Reprioritisation of infrastructure projects	(6 711)	Goods and services	Artists activation and OR Tambo Commemoration	28 089
<b>Programme 3</b>		<b>(21 257)</b>			
Buildings and other fixed structures	Reprioritisation of infrastructure projects	(21 257)	<b>Programme 4</b>		<b>4 348</b>
<b>Programme 4</b>		<b>(4 468)</b>	Buildings and other fixed structures	Reprioritisation of infrastructure projects	709
Buildings and other fixed structures	Reprioritisation of infrastructure projects	(4 468)	Goods and services	To address goods and services accruals. OR Tambo Commemoration	3 639
<b>Percentage of programme budget</b>					
<b>Programme 2</b>		<b>(25 598)</b>	<b>Programme 4</b>		<b>25 598</b>
Goods and services	Artists activation and OR Tambo Commemoration	(25 370)	Buildings and other fixed structures	Reprioritisation of infrastructure projects	25 370
Goods and services	Support of sport programme	(228)	Goods and services	Support of sport programme	228
<b>Programme 4</b>		<b>(15 394)</b>	<b>Programme 2</b>		<b>10 800</b>
Buildings and other fixed structures	Reprioritisation of infrastructure projects	(15 394)	Goods and services	Artists activation and OR Tambo Commemoration	10 800
			<b>Programme 4</b>		<b>4 000</b>
			Transfers to NPI	Boxing tournament	4 000
			<b>Programme 1</b>		<b>594</b>
			Goods and services	Audit Fees and Audit Committee	594
<b>Percentage of programme budget</b>					
<b>Programme 1</b>		<b>(3 099)</b>	<b>Programme 1</b>		<b>2 500</b>
Compensation of employees	Underspending as a result of funded vacancies not filled	(3 099)	Goods and services	Audit Fees, Asset Management and MEC support	2 500
<b>Programme 2</b>		<b>(5 371)</b>	<b>Programme 2</b>		<b>8 043</b>
Compensation of employees	Underspending as a result of funded vacancies not filled	(5 371)	Goods and services	Artists activation, Security Services and Heritage Day Celebration	8 043
<b>Programme 3</b>		<b>(2 952)</b>	<b>Programme 3</b>		<b>500</b>
Compensation of employees	Underspending as a result of funded vacancies not filled	(2 952)	Goods and services	Address shortfall of Security Services	500
<b>Programme 4</b>		<b>(122)</b>	<b>Programme 4</b>		<b>500</b>
Compensation of employees	Underspending as a result of funded vacancies not filled	(122)	Goods and services	Address shortfall of Security Services	500
<b>Percentage of programme budget</b>			<b>Percentage of programme budget</b>		
<b>Programme 2</b>		<b>(700)</b>	<b>Programme 4</b>		<b>700</b>
Goods and Services	Artists activation	(700)	Transfers to NPI	Boxing tournament	700
<b>Programme 2</b>		<b>(6 502)</b>	<b>Programme 4</b>		<b>20 000</b>
Buildings and other fixed structures	Reprioritisation of infrastructure projects	(4 502)	Buildings and other fixed structures	Reprioritisation of infrastructure projects	20 000
Goods and services	To address goods and services accruals. OR Tambo Commemoration	(2 000)			
<b>Programme 3</b>		<b>(5 498)</b>			
Buildings and other fixed structures	Reprioritisation of infrastructure projects	(5 498)			
<b>Programme 4</b>		<b>(8 000)</b>			
Transfers to NPI	Reprioritisation of Non Profit Institutions	(7 000)			
Goods and services	Reprioritisation of goods and services	(1 000)			
<b>Percentage of programme budget</b>					
<b>Total</b>		<b>(105 672)</b>			<b>105 672</b>

**Declared unspent funds – R00.000 million**

**Other adjustments – R00.000 million**

**Funds shifted between votes following a transfer of a function**

None applicable

**Funds shifted within a vote following a transfer of a function/within a vote following function shift.**

None applicable

**Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation**

None applicable

**Adjustment due to significant and unforeseeable economic and financial events**

None applicable

**Use of funds in emergency situations**

None applicable

**Self-financing expenditure**

None applicable

Gifts, donations and sponsorship – R0.582 million

Department received donation of R0.582 million for CATHSETA toward training and development.

The sponsorships for MACUFE 2017 still needs to be reconciled.

**Direct charges against the Provincial Revenue Fund – write full amount: R00.000 million**

None applicable

**Expenditure outcome for 2016/17 and actual expenditure for 2017/18**

Table 12.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Adjusted appropriation / Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	85 444	46 902	54,9%	85 310	99,8%	88 436	12,9%	48 777	55,2%
2. Cultural Affairs	156 370	59 873	38,3%	154 383	98,7%	160 453	23,3%	88 821	55,4%
3. Library and Archives Services	232 264	98 823	42,5%	228 645	98,4%	223 517	32,5%	82 469	36,9%
4. Sport and Recreation	229 392	156 157	68,1%	229 688	100,1%	214 889	31,3%	93 794	43,6%
<b>Total</b>	<b>703 470</b>	<b>361 755</b>	<b>51,4%</b>	<b>698 026</b>	<b>99,2%</b>	<b>687 295</b>	<b>100%</b>	<b>313 861</b>	<b>45,7%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>431 961</b>	<b>201 377</b>	<b>46,6%</b>	<b>442 500</b>	<b>102,4%</b>	<b>477 657</b>	<b>69,5%</b>	<b>233 206</b>	<b>48,8%</b>
Compensation of employees	266 346	127 791	48,0%	261 538	98,2%	296 399	43,1%	136 593	46,1%
Goods and services	165 615	73 586	44,4%	180 962	109,3%	181 258	26,4%	96 613	53,3%
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>77 585</b>	<b>36 086</b>	<b>46,5%</b>	<b>42 422</b>	<b>54,7%</b>	<b>102 803</b>	<b>15,0%</b>	<b>15 953</b>	<b>15,5%</b>
Provinces and municipalities	9 000	2 250	25,0%	8 418	93,5%	7 500	1,1%		
Departmental agencies and accounts	2 685	2 685	100,0%						
Universities and technikons									
Public corporations and private enterprises	362	362	100,0%	407	112,4%				
Foreign governments and international organisations									
Non-profit institutions	62 741	29 823		29 357		94 538	13,8%	15 188	16,1%
Households	2 797	966	34,5%	4 240	151,6%	765	0,1%	765	100,0%
<b>Payments for capital assets</b>	<b>193 924</b>	<b>124 291</b>	<b>64,1%</b>	<b>213 103</b>	<b>109,9%</b>	<b>106 835</b>	<b>15,5%</b>	<b>64 702</b>	<b>60,6%</b>
Buildings and other fixed structures	187 042	122 370	65,4%	208 993	111,7%	98 543	14,3%	62 425	63,3%
Machinery and equipment	6 882	1 921	27,9%	4 017	58,4%	8 292	1,2%	2 277	27,5%
Cultivated assets									
Software and other intangible assets				93					
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>		<b>1</b>		<b>1</b>					
<b>Total</b>	<b>703 470</b>	<b>361 755</b>	<b>51,4%</b>	<b>698 026</b>	<b>99,2%</b>	<b>687 295</b>	<b>100,0%</b>	<b>313 861</b>	<b>45,7%</b>

**Expenditure trends for the first six months of the 2017/18**

Expenditure in the first six months of 2017/18 amounted to **R313.861 million** or 45.7 percent of the adjusted appropriation of **R687.295 million**.

**Programme 1: Administration**

The expenditure trend in the first six months of the 2017/18 financial year is the same in comparison with the same period in 2016/17 financial year.

**Programme 2: Cultural Affairs**

The expenditure trend in the first six months of the 2017/18 financial year is 33 percent higher compared to the expenditure of the same period in 2016/17 financial year. This is due to the advance payment made in terms of a service level agreement for MACUFE 2017.

**Programme 3: Library and Archive Services**

The expenditure trend in the first six months of 2017/18 financial year is 20 percent lower in comparison with the same period in 2016/17, due to infrastructure spending.

#### Programme 4: Sport and Recreation

The expenditure trend in the first six months of 2017/18 is 66.0 percent higher than the same period of the 2016/17 financial year, due to infrastructure spending.

#### Economic classification:

##### Current payments

The expenditure trend in the first six months of the 2017/18 financial year is 14.0 percent higher in comparison with the same period of the 2016/17 financial year, due to the MACUFE advance payments and OR Tambo commemoration.

##### Transfers and subsidies

The transfer payments decreased by 126.0 percent in the 2017/18 financial year in comparison with the same period for 2016/17 financial year, mainly due to the current transfer to Free State Sport Confederation not finalised.

##### Payments for capital assets

The expenditure on machinery and equipment and Infrastructure is 92.0 percent lower in 2017/18 financial year in comparison with the same period in 2016/17, due to infrastructure payments.

#### Departmental receipts

Table 12.4: Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Budget estimate	Adjusted estimate	Adjusted receipts estimate /Total (%)	Apr 2017 - Sep 2017		
	Adjusted estimate	Apr 2016 - Sep 2016 (% of adjusted appropriation)	Apr 2016 - Mar 2017 (% of adjusted appropriation)	Apr 2017 - Sep 2017 (% of adjusted appropriation)				Adjusted estimate	Adjusted receipts estimate /Total (%)	
<b>Departmental receipts</b>	<b>14 457</b>	<b>2 307</b>	<b>16.0%</b>	<b>14 424</b>	<b>99.8%</b>	<b>12 156</b>	<b>12 156</b>	<b>100.0%</b>	<b>2 073</b>	<b>17.1%</b>
Tax receipts										
Sales of goods and services other than capital receipts	11 000	1 709	15.5%	11 246	102.2%	11 671	11 671	96.0%	1 819	15.6%
Transfers received	3 000	520	17.3%	3 083	102.8%					
Fines, penalties and forfeits	31	44	141.9%	60	193.5%	33	33	0.3%	19	57.6%
Interest, dividends and rent on land	117	14	12.0%	15	12.8%	124	124	1.0%		
Sales of capital assets	8					9	9	0.1%		
Financial transactions in assets and liabilities	301	20	6.6%	20	6.6%	319	319	2.6%	235	73.7%
<b>Total departmental receipts</b>	<b>14 457</b>	<b>2 307</b>	<b>16.0%</b>	<b>14 424</b>	<b>99.8%</b>	<b>12 156</b>	<b>12 156</b>	<b>100.0%</b>	<b>2 073</b>	<b>17.1%</b>

#### Revenue trends for the first six months of 2017/18

The revenue collection in the first six months of the 2016/17 financial year is at 17.1 percent. The bulk of revenue will be collected after MACUFE 2017 in October 2017.

Due to the additional funding for the additional shows for MACUFE 2017, the current year budget was adjusted upward by **R6.5 million**.

## Changes to transfers and subsidies, including conditional grants

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

		2017/18							
		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
<b>1. Administration</b>						89		89	89
<b>Economic sphere</b>									
<b>Current</b>									
Households						89		89	89
<b>2. Cultural Affairs</b>	7 250					3 737		3 737	10 987
<b>Non-Profit institutions</b>									
<b>Current</b>									
PACC	2 000					3 550		3 550	5 550
PACC - FREEDOM DAY	1 000								1 000
FS Writers Forum	200								200
Provincial Geographical Name Committee	1 000								1 000
Provincial Heritage Resource Authority	500								500
LECMA	150								150
Mangaung Strings Programme	750								750
Golden Bean Awards	100								100
Cherry Jazz Festival	300								300
Bloemshow Organisation	250					(170)		(170)	80
NGO Adoption	1 000								1 000
Households						357		357	357
<b>3. Library and Archives Services</b>	7 500					33		33	7 533
<b>Municipalities</b>									
<b>Current</b>									
Municipalities	7 500								7 500
Households						33		33	33
<b>3. Programme name</b>	81 569					(14)		(14)	81 555
<b>Non-Profit institutions</b>									
<b>Current</b>									
FS Sport Confederation	10 564					(4 864)		(4 864)	5 700
Free State Stars	2 000								2 000
Bloemfontein Celtics	2 000								2 000
Free State Cheetahs									
Sport and Recreation Councils (EPWP)	1 519								1 519
Academies and Sport Councils	6 903					4 564		4 564	11 467
Households						286		286	286
<b>Capital</b>									
Free State Sport Confederation - NTC (SRSA CG)	58 583								58 583
<b>Total transfers and subsidies</b>	<b>96 319</b>					<b>3 812</b>		<b>3 812</b>	<b>100 164</b>

Table 12.6(a): Summary of changes to conditional grants

R thousand	2017/18						Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation			Total adjustments appropriation		
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts			
<b>2. Cultural Affairs</b>	<b>2 000</b>						<b>2 000</b>	
<b>EPWP Integrated Grant</b>								
Salaries and wages	1 639						1 639	
Communication	20						20	
Contractors	140			(100)		(100)	40	
Cons:sta,print&off sup				100		100	100	
Property Payments	30						30	
Fleet services(f/ser)	50						50	
Travel and subsistence	121						121	
<b>3. Library and Archive Services</b>	<b>159 017</b>						<b>159 017</b>	
<b>Community Library Services Grant</b>								
Salaries and wages	95 000			(9 067)		(9 067)	85 933	
Social Contributions				67		67	67	
Administrative Fees: Payments	53			1		1	54	
Advertising	24			(21)		(21)	3	
Agency &suprt/outsourced services	117			(117)		(117)		
Minor assets	7 169			(1 304)		(1 304)	5 865	
Bursaries (employees)				106		106	106	
Catering:departml activities	100			184		184	284	
Communication	1 501			539		539	2 040	
Computer services	3 822			5 818		5 818	9 640	
Contractors	2 240			1 093		1 093	3 333	
Fleet services(f/ser)	857			(351)		(351)	506	
Inv :learn&teach supp mate	2 292			(2 227)		(2 227)	65	
Cons supplies	460			4 355		4 355	4 815	
Cons:sta,print&off sup	1 453			(386)		(386)	1 067	
Operating leases	2 525			(2 077)		(2 077)	448	
Property payments	2 485			(1 513)		(1 513)	972	
Travel and subsistence	1 072			423		423	1 495	
Training & development				115		115	115	
Operating payments	233			(201)		(201)	32	
Venues and facilities	114			110		110	224	
Trnsf&Sub:Municipalities	5 500						5 500	
Transfers to households								
Buildings & other fix struct	30 000						30 000	
Other machinery & equipment	2 000			4 453		4 453	6 453	
<b>4. Sport and Recreation</b>	<b>97 274</b>						<b>97 274</b>	
<b>Mass Participation and Sport Development Grant</b>								
Salaries and wages	2 849			(291)		(291)	2 558	
Social Contributions				291		291	291	
Advertising	1 156			(784)		(784)	372	
Agency &suprt/outsourced services	919			(603)		(603)	316	
Minor assets	1 273			(1 193)		(1 193)	80	
Bursaries				100		100	100	
Catering:departml activities	2 301			(1 584)		(1 584)	717	
Communication	862			(589)		(589)	273	
Computer services	68			(68)		(68)		
Contractors	4 542			2 450		2 450	6 992	
Entertainment	7			(5)		(5)	2	
Fleet services(f/ser)	892			76		76	968	
Inv :cloth mat&accessories	2 305			3 481		3 481	5 786	
Inv :materials & supplies	2 205			(859)		(859)	1 346	
Cons supplies	558			(272)		(272)	286	
Cons:sta,print&off sup	344			132		132	476	
Operating leases	339			(339)		(339)		
Property payments	980			(980)		(980)		
Transport provided dept activity	3 124			(838)		(838)	2 286	
Travel and subsistence	4 572			3 757		3 757	8 329	
Training & development								
Operating payments	939			(839)		(839)	100	
Rental&Hiring				9		9	9	
NPI:oth non profit institutions	65 520			(1 361)		(1 361)	64 159	
Other machinery & equipment				309		309	309	
<b>Social Sector EPWP Incentive Grant</b>								
NPI:oth non profit institutions	1 519						1 519	
<b>Total conditional grant: Sport Arts Culture and Recreation</b>	<b>258 291</b>						<b>258 291</b>	

Table 12.6(b): Summary of changes to provincial earmarked funds

R thousand	2017/18					Adjusted appropriation		
	Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable	Virement and shifts		Declared unspent funds	Other adjustments
<b>1. Cultural Affairs</b>	<b>16 220</b>							<b>16 220</b>
<b>Economic sphere</b>								
<b>Current/Capital</b>								
<b>Artists</b>								
Administrative Fees: Payments					80			80
Catering:departml activities								80
Contractors	2 892				(167)			2 725
Inv :Cloth Mat&Accessories					126			126
Cons:sta,print&off sup	70				(70)			(70)
Operating leases	100				(100)			(100)
Transport Provided Dept Activity					400			400
Travel and subsistence	938				(269)			(269)
<b>Arts and Culture Programmes</b>								
Advertising	20				(20)			(20)
Catering:departml activities	4							4
Communication	10				(10)			(10)
Contractors	3 370				(501)			(501)
Fleet services(f/ser)	447				(343)			(343)
Inv :Cloth Mat&Accessories	244				(244)			(244)
Operating leases	5				(5)			(5)
Transport Provided Dept Activity	21				(21)			(21)
Travel and Subsistence	879				(856)			(856)
Transfers to NPI					2 000			2 000
<b>Photographers</b>								
Administrative Fees: Payments	300							300
Advertising	120				(100)			(100)
Catering:departml activities	50				35			35
Communication	40							40
Contractors	2 924				(1 800)			(1 800)
Fleet services(f/ser)	200							200
Cons Supplies					100			100
Cons:sta,print&off sup					250			250
NPI:Oth Non Profit Institutions					1 550			1 550
Operating leases	100							100
Travel and Subsistence	266				(35)			(35)
<b>Community Radio Stations</b>								
Advertising	2 986				(850)			(850)
Catering:departml activities	14							14
Contractors	220				750			750
Transfers to households					100			100
<b>2. Cultural Affairs</b>	<b>36 000</b>							<b>36 000</b>
<b>Economic sphere</b>								
<b>Current</b>								
Macufe Fund								
Salaries And Wages					750			750
Administrative Fees: Payments	5 000				(750)			(750)
Contractors	31 000							31 000
<b>2. Cultural Affairs</b>	<b>1 000</b>							<b>1 000</b>
<b>Economic sphere</b>								
<b>Current</b>								
NGO Adoption								
NPI:Oth Non Profit Institutions	1 000							1 000
<b>2. Cultural Affairs</b>	<b>780</b>							<b>780</b>
<b>Economic sphere</b>								
<b>Current</b>								
Interdepartmental Choir Competition								
Contractors	780							780
<b>4. Sport and Recreation</b>	<b>7 000</b>							<b>7 000</b>
<b>Economic sphere</b>								
<b>Current</b>								
OR Tambo Marathon Fund								
Contractors	3 000							3 000
<b>Transfer current</b>								
Free State Stars	2 000							2 000
Bloemfontein Celtics	2 000							2 000
Transfer to NPI: FSSC								
<b>3. Departmental</b>	<b>101 286</b>				<b>(12 711)</b>			<b>(12 711)</b>
<b>Economic sphere</b>								
<b>Current/Capital</b>								
<b>Infrastructure Enhancement Allocation</b>								
<b>Administration</b>								
Salaries And Wages	689				(115)			(115)
Social Contributions					115			115
Advertising	11							11
Minor Assets	34				8			8
Communication	22							22
Computer services	103							103
Cons supplies	28				(27)			(27)
Cons:sta,print&off sup	15				5			5
Contractors					113			113
Fleet services(f/ser)	9							9
Minor assets								
Operating leases	123				4			4
Operating payments								
Property payments								
Travel and subsistence	198				(156)			(156)
Other machinery and equipment					53			53
<b>Cultural Affairs</b>								
Outs contractors: Maintennace	2 500							2 500
Buildings and other fixed structures	12 186				(11 173)			(11 173)
<b>Library and Archive Services</b>								
Outs contractors: Maintennace	5 300							5 300
Buildings and other fixed structures	38 390				(26 756)			(26 756)
<b>Sport and Recreation</b>								
Outs contractors: Maintenance	2 000				(1 000)			(1 000)
Buildings and other fixed structures	39 678				26 218			26 218
<b>Total earmarked funds</b>	<b>162 286</b>				<b>(12 711)</b>			<b>(12 711)</b>
								<b>149 575</b>

## Revised Infrastructure project list

Table 12.7: Revised infrastructure project list

No.	Project name	Type of infrastructure	District municipality	Local Municipality	Town	Source of funding	Delivery Mechanism (Individual project or package programme)	Project duration			Total project cost	Expenditure (from start of project until 31 March 2017)	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18	Expenditure as at 30 September 2017
								Date: Start	Date: Finish	Programme				Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)		
<b>1. New infrastructure assets (R thousand)</b>																	
1	Wepener Qibing Library (R17 m)	Library	Xhariep Thabo	Naledi	Wepener	Lib Serv C-Grant							1 468		1 468	1 468	
	Arlington Library (R12 m)	Library	Mofutsanyana	Nketoana	Arlington	IEA								(1 000)	2 008	2 008	
	Luckhoff Library	Library	Xhariep	Letsemeng	Luckhoff	IEA								(1 792)	1 768	1 768	
	Smithfield Mofalatshope Library	Library	Xhariep	Mohokare	Smithfield	IEA								(2 032)	3 074	3 074	
2	Tumahole Library (R50m)	Library	Fezile Dabi Thabo	Ngwathe	Parys	IEA								(16 926)	760	760	
3	Memel - Zamdela Library	Library	Mofutsanyana Thabo	Phumelela	Memel	IEA							760		760	760	
4	Bluegumbosch Library	Library	Mofutsanyana	Maluti-a-Phofung	Phuthaditjhaba	IEA								(4 331)	1 669	1 669	
5	Cornelia Library	Library	Fezile Dabi	Mafube	Cornelia	Lib Serv C-Grant								(2 440)	7 560		
6	Oranjeville Library (R13 m)	Library	Fezile Dabi	Metsimaholo	Oranjeville	Lib Serv C-Grant							532		532	531	
7	Tumahole indoor centre (Master Nakedi)	Sport Centre	Fezile Dabi	Ngwathe	Tumahole	IEA								(2 054)			
8	Tumahole indoor centre (Master Nakedi) Swimming Pool	Swimming Pool	Fezile Dabi	Ngwathe	Parys	IEA								(4 468)	881	881	
<b>Total new infrastructure assets</b>													<b>2 760</b>	<b>(35 043)</b>	<b>19 720</b>	<b>12 159</b>	
<b>2. Maintenance and repair (R thousand)</b>																	
1	Building Maintenance Sport		All	All	All	IEA							2 000	(1 000)	1 000		
<b>Total maintenance and repair</b>													<b>2 000</b>	<b>(1 000)</b>	<b>1 000</b>		
<b>2. Upgrades and additions (R thousand)</b>																	
9	Heroes Park Thaba Nchu Recording Studios (Various towns)	Heroes Park Recording Studios	Mangaung All	Mangaung All	Thaba Nchu All	IEA								(6 671)		13	
	Bloemfontein Library (Phase 3)	Library	Mangaung	Mangaung	Bloemfontein	Lib Serv C-Grant							770		1 770	1 641	
11	Sedibeng (Maackeng) Library	Library	Fezile Dabi	Moghaka	Kroonstad	Lib Serv C-Grant								(1 468)	4 532		
12	Welkom Public Library	Library	Lejweleputswa	Matjhabeng	Welkom	Lib Serv C-Grant							1 138		1 138		
13	Archives Repository	Archives Repository	Mangaung	Mangaung	Bloemfontein	IEA								(1 434)	2 356		
14	Sipho Mutsi Stadium	Archives Repository	Lejweleputswa	Lejweleputswa	Lejweleputswa	IEA							4 360			12 320	
15	Maackeng Stadium (Kroonstad)	Stadium	Fezile Dabi	Moghaka	Kroonstad	IEA							6 612	(24)	15 663	9 075	
16	Zamdela Stadium	Stadium	Fezile Dabi	Metsimaholo	Sasolburg	IEA							17 716		17 716	10 000	
	Welkom Stadium	Stadium	Lejweleputswa	Matjhabeng	Welkom	IEA							5 672		5 672		
17	Seisa Ramabolu Stadium	Stadium	Mangaung	Mangaung	Bloemfontein	IEA								(1 597)	13 603	13 603	
<b>Total upgrades and additions</b>													<b>36 268</b>	<b>(15 696)</b>	<b>62 450</b>	<b>46 652</b>	
<b>TOTAL INFRASTRUCTURE</b>													<b>2 000</b>	<b>39 028</b>	<b>(51 739)</b>	<b>41 028</b>	<b>46 652</b>
<b>TOTAL INFRASTRUCTURE AND NON-INFRASTRUCTURE.</b>													<b>2 000</b>	<b>39 028</b>	<b>(51 739)</b>	<b>41 028</b>	<b>46 652</b>

**Table 12.8: Summary of adjusted infrastructure appropriation**

	2017/18		
	Main Appropriation	Increase/Decrease	Adjusted Appropriation
<b>Infrastructure</b>			
<b>Existing infrastructure assets</b>	<b>60 283</b>	<b>(2 453)</b>	<b>57 830</b>
Maintenance and repair	11 032	(1 000)	10 032
Upgrades and additions	49 251	(1 453)	47 798
Refurbishment and rehabilitation			
<b>New infrastructure assets</b>	<b>41 003</b>	<b>(10 258)</b>	<b>30 745</b>
<b>Infrastructure transfers</b>			
Current			
Capital			
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Total Infrastructure</b>	<b>101 286</b>	<b>(12 711)</b>	<b>88 575</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>	<b>11 032</b>	<b>(1 000)</b>	<b>10 032</b>
Compensation of employees	689		689
Goods and Services	10343	(1 000)	9 343
Interest and rent on land			
<b>Transfers and subsidies to</b>			
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households			
<b>Payments for capital assets</b>	<b>90 254</b>	<b>(11 711)</b>	<b>78 543</b>
Buildings and other fixed structures	90254	(11 711)	78 543
Machinery and equipment			
Cultivated assets			
Software and other intangible assets			
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>101 286</b>	<b>(12 711)</b>	<b>88 575</b>

### Reasons for decrease in capital projects (new infrastructure assets and existing infrastructure assets)

The main decrease is to fund the payment of the 2016 accruals and to fund the 100 years of OR Tambo commemoration. In other cases, non-performing projects are deferred to the outer three financial years and the subsequent funds are utilized during the current year to address commitments rolled over from previous financial year for final completion of projects and or retention.

Table 12.9: Aid assistance

		2017/18							
		Adjustment appropriation							
		Main appropriation	Special appropriation	Roll-overs	Unforeseeable /unavoidable and shifts	Declared Virement unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand									
<b>1. Programme name</b>							582	582	582
Economic sphere									
Current/Capital									
Aid assistance: CATHSETA							582	582	582
Training and Development									
<b>2. Programme name</b>									
Economic sphere									
Current/Capital									
Aid assistance/ donor									
Item name									
<b>3. Programme name</b>									
Economic sphere									
Current/Capital									
Aid assistance/ donor									
Item name									
<b>Total aid assistance</b>							582	582	582



**VOTE 13:**  
**DEPARTMENT OF HUMAN  
SETTLEMENTS**

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

R thousand	2017/18				
	Main appropriation	Special appropriation	Adjusted appropriation	Decrease	Increase
<b>Total amount to be appropriated</b>	<b>1 442 894</b>		<b>1 437 190</b>	<b>(40 926)</b>	<b>35 222</b>
<i>of which economic classification:</i>					
Current payments	228 948		<b>252 556</b>	(7 783)	31 391
Transfers and subsidies	1 207 815		<b>1 180 509</b>	(29 385)	2 079
Payments for capital assets	6 131		<b>4 125</b>	(3 758)	1 752
Payments for financial assets					
<i>of which source of funding:</i>					
Equitable Share	187 110		<b>181 406</b>	(14 556)	8 852
Conditional Grants	1 195 038		<b>1 195 038</b>	(26 370)	26 370
Earmarked funds	36 000		<b>36 000</b>		
Provincial Receipts	24 746		<b>24 746</b>		
<b>Direct charge against the Provincial Revenue Fund</b>	<b>1 442 894</b>		<b>1 437 190</b>	<b>(40 926)</b>	<b>35 222</b>
<b>Executive Authority</b>	<b>MEC for Human Settlements</b>				
<b>Accounting Officer</b>	<b>Head of Department Human Settlements</b>				
<b>Website address</b>	<b><a href="http://www.humansettlements.fs.gov.za">www.humansettlements.fs.gov.za</a></b>				

**Purpose**

Developmental Intergraded Human Settlements in the Free State.

**Changes to programme purposes, objectives and measures**

There were no changes to programme purposes and measurable objectives

## Adjusted Estimates of Provincial Revenue & Expenditure 2017

Table 13.1(a): Adjusted Estimates per programme

		2017/18						
Programme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Declared		Other adjustments	Unforeseeable /unavoidable		
R'thousand			Roll-overs					
1. Administration	124 301				5 100	(6 233)	(1 133)	123 168
2. Housing Needs, Research & Planning	22 385				(1 400)	100	(1 300)	21 085
3. Housing Development	1 294 887				(3 700)	979	(2 721)	1 292 166
4. Housing Assets Management Property Man	1 321					(550)	(550)	771
<b>Subtotal</b>	<b>1 442 894</b>					<b>(6 783)</b>	<b>1 079</b>	<b>(5 704)</b>
<b>Direct charge against the Provincial Revenue Fund</b>								
Item								
<b>Total</b>	<b>1 442 894</b>					<b>(6 783)</b>	<b>1 079</b>	<b>(5 704)</b>

## Economic classification

Table 13.1(b): Adjusted Estimates by economic classification

		Adjustments Appropriation						
Economic classification	Main appropriation	Special appropriation	Declared			Other adjustments	Total adjustment appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virements unspent funds			
R'thousand								
<b>Current payments</b>	<b>228 948</b>				<b>30 391</b>	<b>(6 783)</b>	<b>23 608</b>	<b>252 556</b>
Compensation of employees	169 501				11 682	(6 783)	4 899	174 400
Goods and Services	59 447				18 709		18 709	78 156
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>1 207 815</b>				<b>(28 385)</b>	<b>1 079</b>	<b>(27 306)</b>	<b>1 180 509</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	1 200				(1 200)		(1 200)	
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions					1 000		1 000	1 000
Households	1 206 615				(28 185)	1 079	(27 106)	1 179 509
<b>Payments for capital assets</b>	<b>6 131</b>				<b>(2 006)</b>		<b>(2 006)</b>	<b>4 125</b>
Buildings and other fixed structures	3 596				(3 596)		(3 596)	
Machinery and equipment	2 535				1 590		1 590	4 125
<b>Payments for financial assets</b>								
<b>Total</b>	<b>1 442 894</b>					<b>(6 783)</b>	<b>1 079</b>	<b>(5 704)</b>

## Programme 1: Administration

Table 13.1.1: Adjusted Estimates

Subprogramme	2017/18								
	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. Corporate Services	124 301			5 100	(6 233)			(1 133)	123 168
<b>Total</b>	<b>124 301</b>			<b>5 100</b>	<b>(6 233)</b>			<b>(1 133)</b>	<b>123 168</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>123 301</b>			<b>2 348</b>	<b>(6 233)</b>			<b>(3 885)</b>	<b>119 416</b>
Compensation of employees	89 372				(6 233)			(6 233)	83 139
Goods and Services	33 929			2 348				2 348	36 277
Interest and rent on land									
<b>Transfers and subsidies to</b>				<b>1 000</b>				<b>1 000</b>	<b>1 000</b>
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions				1 000				1 000	1 000
Households									
<b>Payments for capital assets</b>	<b>1 000</b>			<b>1 752</b>				<b>1 752</b>	<b>2 752</b>
Buildings and other fixed structures									
Machinery and equipment	1 000			1 752				1 752	2 752
Cultivated assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>124 301</b>			<b>5 100</b>	<b>(6 233)</b>			<b>(1 133)</b>	<b>123 168</b>

## Programme 2: Housing Needs, Research and Planning

Table 13.1.2: Adjusted Estimates

		2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustment appropriation	Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable	Declared unspent funds	Other adjustments		
R'thousand								
1. Administration	3 350				(1 148)	100	(1 048)	2 302
2. Policy	3 170				(56)		(56)	3 114
3. Planning	14 740				(196)		(196)	14 544
4. Research	1 125							1 125
<b>Total</b>	<b>22 385</b>				<b>(1 400)</b>	<b>100</b>	<b>(1 300)</b>	<b>21 085</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>19 100</b>				<b>1 377</b>		<b>1 377</b>	<b>20 477</b>
Compensation of employees	16 521							16 521
Goods and Services	2 579				1 377		1 377	3 956
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>2 635</b>				<b>(2 615)</b>	<b>100</b>	<b>(2 515)</b>	<b>120</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	1 200				(1 200)		(1 200)	
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	1 435				(1 415)	100	(1 315)	120
<b>Payments for capital assets</b>	<b>650</b>				<b>(162)</b>		<b>(162)</b>	<b>488</b>
Buildings and other fixed structures								
Machinery and equipment	650				(162)		(162)	488
<b>Payments for financial assets</b>								
<b>Total</b>	<b>22 385</b>				<b>(1 400)</b>	<b>100</b>	<b>(1 300)</b>	<b>21 085</b>

### Programme 3: Housing Development

Table 13.1.3: Adjusted Estimates

2017/18								
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. Administration	64 849				(3 700)		(3 700)	61 149
2. Financial Interventions	126 201				(1 650)		(1 650)	124 551
3. Incremental Interventions	878 500				(13 438)		(13 438)	865 062
4. Social And Rental Intervention	118 839				1 593		1 593	120 432
5. Rural Intervention	21 259					979	979	22 238
6. Provincial Specific Programmes	85 239				13 495		13 495	98 734
<b>Total</b>	<b>1 294 887</b>				<b>(3 700)</b>	<b>979</b>	<b>(2 721)</b>	<b>1 292 166</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>85 226</b>				<b>26 666</b>		<b>26 666</b>	<b>111 892</b>
Compensation of employees	62 542				11 682		11 682	74 224
Goods and Services	22 684				14 984		14 984	37 668
Interest and rent on land								
<b>Transfers and subsidies to</b>	<b>1 205 180</b>				<b>(26 770)</b>	<b>979</b>	<b>(25 791)</b>	<b>1 179 389</b>
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons								
Public corporations and private enterprises								
Foreign governments and international organisations								
Non-profit institutions								
Households	1 205 180				(26 770)	979	(25 791)	1 179 389
<b>Payments for capital assets</b>	<b>4 481</b>				<b>(3 596)</b>		<b>(3 596)</b>	<b>885</b>
Buildings and other fixed structures	3 596				(3 596)		(3 596)	
Machinery and equipment	885							885
<b>Payments for financial assets</b>								
<b>Total</b>	<b>1 294 887</b>				<b>(3 700)</b>	<b>979</b>	<b>(2 721)</b>	<b>1 292 166</b>

**Programme 4: Housing Assets Management Property Management**

Table 13.1.4: Adjusted Estimates

2017/18						
Subprogramme	Main appropriation	Special appropriation	Adjustment appropriation			Adjusted appropriation
			Unforeseeable / Roll-overs	Virements /unavoidable and shifts	Declared Other unspent adjustments	
R'thousand						
1. Administration	1 321				(550)	771
<b>Total</b>	<b>1 321</b>				<b>(550)</b>	<b>771</b>
<b>Economic classification</b>						
<b>Current payments</b>	<b>1 321</b>				<b>(550)</b>	<b>771</b>
Compensation of employees	1 066				(550)	516
Goods and Services	255					255
Interest and rent on land						
<b>Transfers and subsidies to</b>						
Provinces and municipalities						
Departmental agencies and accounts						
Universities and technikons						
Public corporations and private enterprises						
Foreign governments and international organisations						
Non-profit institutions						
Households						
<b>Payments for capital assets</b>						
Buildings and other fixed structures						
Machinery and equipment						
Cultivated assets						
Software and other intangible assets						
Land and subsoil assets						
Heritage assets						
<b>Payments for financial assets</b>						
<b>Total</b>	<b>1 321</b>				<b>(550)</b>	<b>771</b>

**Details of adjustments to Estimates of Provincial Revenue & Expenditure 2017**

The department did not receive roll-over funds in this current year.

**Virements and shifts****Programme 1 Administration: (R 1.752 million)**

Funds initially allocated to Goods and Services amounting to R 1 million during the Main Budget was later corrected and moved to Non Profit Institutions within programme 1. There was a shortfall of funds on Capital Assets and funds amounting to R 0.752 million where taken from Goods and Services to Machinery and Equipment in order to augment the over expenditure.

### **Programme 2 Housing Needs, Planning and Research: (R 2.853 million)**

The amount of R1.615 million was a saving from transfers and subsidies on the item: donations and gifts which were R1.415 million and R0.200 million from machinery and equipment.

The amount of R1.200 million was allocated to augment the over expenditure on the item: event promoters in goods and services of programme: 1 and the R0. 200 million was allocated to item: legal services. The difference of R0.215 million has been allocated in the item: training and development in programme 2, in goods and services.

The amount for the event promoters was needed for the MEC as it was indicated that she is going to have activities before the end of the financial year. In terms of the R0.200 million, this was to augment pressure in the item: legal fees as there are outstanding invoices which have to be paid by the department.

The funds from Universities and Technicons amounting to R 1.200 million was classified incorrectly and these funds were moved to Goods and Services item; Training and Development within programme 2. The amount of R0.038 million identified as a saving on Goods and Services was taken to Capital Assets on Machinery and Equipment.

### **Programme 3 Housing Development: (R4.996 million)**

The virement shifting of R3.596 million was shifted from programme: 3 Housing Development in order to correct the item: building and other fixed structures. The amount of R 1.300 million to goods and services and R 1.000 million payment of capital assets in

Programme: 1 Administration. The remaining funds of R 1.296 million was moved within programme 3 to goods and services.

The R1.000 million from programme: 3 Housing Development was a saving in goods and services from the item: travel and subsistence whilst R0.400 million from same programme: 3 was a saving from transfer and subsidies in the item: household.

### **Programme 3 Housing Development (R26.370)**

The saving of R26.370 million was identified in programme: 3 Housing Development from the economic classification of transfers and subsidies under the item: household. The funds were allocated within the same programme in order to augment the shortfall in compensation of employees which amount to R11.682 million as well as the over expenditure in the item: professional fees in goods and services.

Due to shortfall in compensation of programme: 3 Housing Development, the funds amounting to R11, 682 million were made available to augment over expenditure in the responsibility: Financial Intervention within programme:3. The item: professional fees in goods and services of Programme: 3 Housing Development also experienced pressure; therefore, the amount of R14, 688 million was allocated to address the budget pressure.

## Virements and shifts

Table 13.2: Details on virements and shifts

Programmes		R'thousand	Programmes		R'thousand
1. Administration		(1 752)	1. Administration		6 852
2. Housing Needs, Research & Planning		(2 853)	2. Housing Needs, Research & Planning		1 453
3. Housing Development		(31 366)	3. Housing Development		27 666
4. Housing Assets Management Property Man			4. Housing Assets Management Property Man		
<b>Total</b>		<b>(35 971)</b>			<b>35 971</b>

FROM:			TO:		
Programme by Economic classification	Motivation	R' thousand	Programme by Economic classification	Motivation	R' thousand
<b>Programme 1</b>			<b>Programme 1</b>		
<b>Goods and Services</b>	Incorrect Classification moved to Non-profit institutions within programme 1	(1 000)	<b>Non-profit institutions</b>	Incorrect Classification moved from Goods and Services within programme 1	1 000
<b>Goods and Services</b>	Shortfall on Capital Assets	(752)	<b>Payment of Capital Assets</b>	For shortfall Machinery and Equipment	752
<b>Percentage of programme budget</b>		<b>0%</b>			
<b>Programme 2</b>			<b>Programme 1</b>		
<b>Transfers and subsidies</b>	Savings in Donations and Gifts	(1 415)	<b>Goods and Services</b>	For shortfall, Event Promoters	1 200
<b>Machinery and Equipment</b>	Savings in Machinery and Equipment	(200)		For shortfall, Legal Fees	200
			<b>Programme 2</b>		<b>1 453</b>
			<b>Goods and Services</b>	For shortfall, Training Development	215
<b>Universities and technikons</b>	Incorrect Classification moved to Goods and services in programme 2	(1 200)	<b>Goods and Services</b>	Correct Classification	1 200
<b>Goods and Services</b>	Shortfall on Capital Assets	(38)	<b>Payment of Capital Assets</b>	For shortfall Machinery and Equipment	38
<b>Percentage of programme budget</b>		<b>-13%</b>			
<b>Programme 3</b>			<b>Programme 1</b>		
<b>Payment of Capital Assets</b>	Buildings and other fixed structures	(3 596)	<b>Goods and Services</b>	For shortfall, For Fleet service and Travel and Subsistence	1 300
			<b>Payment of Capital Assets</b>	For shortfall, For machinery and Equipment	1 000
			<b>Programme 3</b>		<b>1 296</b>
			<b>Goods and services</b>	Savings in Travel and Subsistence	1 296
<b>Goods and services</b>	Savings in Travel and Subsistence	(1 000)	<b>Programme 1</b>		<b>1 400</b>
<b>Transfers and subsidies</b>	Saving in Household	(400)	<b>Good and services</b>	For shortfall, For Computer Service, Legal Fees	1 000
			<b>Good and services</b>	For shortfall, For Legal Fees	400
<b>Programme 3</b>			<b>Programme 3</b>		
<b>Transfers and subsidies</b>	Saving in Household	(26 370)	<b>Compensation of employees</b>	For Shortfall, Compensation of employees	11 682
			<b>Good and services</b>	For Shortfall, Professional Fees on goods and services	14 688
<b>Percentage of programme budget</b>		<b>-3%</b>			
<b>Total</b>		<b>(35 971)</b>	<b>35 971</b>		

**Declared unspent funds – R 6.783 million****Programme 1 Administration**

The amount of R 6.233 million was identified as a saving from compensation of employees.

**Programme 4 Housing Asset Management**

The amount of R 0.550 million was identified as a saving from compensation of employees.

**Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation**

There were no funds for appropriation of expenditure earmarked for future allocation.

**Adjustment due to significant and unforeseeable economic and financial events**

There were no funds allocated for unforeseeable economic events.

**Use of funds in emergency situations**

There was no allocation for emergency situations

**Self-financing expenditure**

There is no self-financing expenditure, the department only generate insignificant revenue through sale of tender documents and the revenue is returned to the Provincial Revenue fund.

**Gifts, donations and sponsorship**

No donations were made by the department.

**Direct charges against the Provincial Revenue Fund**

*There were no direct charges against the Provincial Revenue Fund.*

**Expenditure outcome for 2016/17 and actual expenditure for 2017/18**

Table 13.3: Expenditure trends

R thousand	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted appropriation)	Adjusted appropriation	Adjusted /Total (%)	Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Programmes</b>									
1. Administration	94 335	49 906	52.9%	98 103	104.0%	123 168	8.6%	57 067	46.3%
2. Housing Needs, Research & Planning	24 065	9 375	39.0%	22 477	93.4%	21 085	1.5%	8 711	41.3%
3. Housing Development	1 184 541	826 990	69.8%	1 180 081	99.6%	1 292 166	89.9%	525 346	40.7%
4. Housing Assets Management Property Man	1 298	322	24.8%	649	50.0%	771	0.1%	108	14.0%
<b>Subtotal</b>	<b>1 304 239</b>	<b>886 593</b>	<b>68.0%</b>	<b>1 301 310</b>	<b>99.8%</b>	<b>1 437 190</b>	<b>100.0%</b>	<b>591 232</b>	<b>41.1%</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
<b>Total</b>	<b>1 304 239</b>	<b>886 593</b>	<b>68.0%</b>	<b>1 301 310</b>	<b>99.8%</b>	<b>1 437 190</b>	<b>100%</b>	<b>591 232</b>	<b>41.1%</b>
<b>Economic Classification</b>									
<b>Current payments</b>	<b>197 841</b>	<b>100 593</b>	<b>50.8%</b>	<b>202 982</b>	<b>102.6%</b>	<b>252 556</b>	<b>17.6%</b>	<b>115 768</b>	<b>45.8%</b>
Compensation of employees	156 610	71 807	45.9%	148 551	94.9%	174 400	12.1%	76 736	44.0%
Goods and services	41 231	28 785	69.8%	54 427	132.0%	78 156	5.4%	39 032	49.9%
Interest and rent on land		1		4					
<b>Transfers and subsidies</b>	<b>1 181</b>	<b>784 401</b>	<b>66418.4%</b>	<b>1 095 083</b>	<b>92725.1%</b>	<b>1 180 509</b>	<b>82.1%</b>	<b>473 695</b>	<b>40.1%</b>
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons	1 181								
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions						1 000	0.1%		
Households		784 401		1 095 083		1 179 509	82.1%	473 695	40.2%
<b>Payments for capital assets</b>	<b>2 932</b>	<b>1 599</b>	<b>54.5%</b>	<b>2 993</b>	<b>102.1%</b>	<b>4 125</b>	<b>0.3%</b>	<b>1 769</b>	<b>42.9%</b>
Buildings and other fixed structures									
Machinery and equipment	2 932	1 599	54.5%	2 993	102.1%	4 125	0.3%	1 769	42.9%
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
<b>Payments for financial assets</b>				<b>252</b>					
<b>Total</b>	<b>201 954</b>	<b>886 593</b>	<b>439.0%</b>	<b>1 301 310</b>	<b>644.4%</b>	<b>1 437 190</b>	<b>100.0%</b>	<b>591 232</b>	<b>41.1%</b>

**Expenditure trends for the first six months of the 2017/18**

During the first quarter of 2017/18, compensation of employees spent R38.397 million or 23 percent of R169. 501 million, whilst goods and services spent R24.832 million or 42 percent of R 58.977 million. There was no expenditure for households in the months of June, but the allocated funds amounted to R0.471 million. In terms of capital household (conditional grant and earmarked funding) the allocation was R1.206 billion and spending at the end of June was R256.339 million.

With regard to payment for capital assets for June 2017, machinery and equipment spent R0.679 million or 10 percent of the current budget of R6.801 million.

The compensation of employees spent R76.736 million or 45 percent of R169.501 million. The goods and services spent R39.032 million or 63 percent of R61.573 million. The high spending of goods and services was due to audit fees which expended R5.932 million which was 99 percent of the allocated amount of R6.006 million. The item: legal Services expended the amount of R1.251 million which was 98percent of the allocated budget of R1.272 million,

The item: consultants and professional services (business and advisory services expended R14.052 million which was 97 percent of the allocated budget of R14.502 million. Operating leases over spent the allocated funds R3.003 million as the expenditure was R3.123 million or 104 percent.

In the second quarter, compensation of employees spent R76.736 million or 45 percent of R169 501 million. Goods and services spent R39.032 million or 63 percent of R61.573 million. High performance of goods and services was due to Audit fees which expended R5.932 million which is 99 percent of the allocated amount of R6.006 million

The item; Legal Services expended R1.251 million which makes 98 percent of the allocated budget of R1.272 million whilst Consultants and Professional services expended R14.052 million which is 97 percent of the its allocated budget of R14.502 million. Operating leases expended R3.123 million which is 104 percent of the allocated budget of R3.003 million.

## Departmental receipts

Table 13.4: Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 2016 - Sep 2016		Apr 2016 - Mar 2017		Budget estimate	Adjusted estimate	Adjusted receipts / Total (%)	Apr 2017 - Sep 2017	
		Apr 2016 - Sep 2016	(% of adjusted appropriation)	Apr 2016 - Mar 2017	(% of adjusted)				Apr 2017 - Sep 2017	(% of adjusted appropriation)
<b>Departmental receipts</b>	<b>613</b>	<b>382</b>	<b>62.3%</b>	<b>600</b>	<b>97.9%</b>	<b>316</b>	<b>316</b>	<b>100.0%</b>	<b>209</b>	<b>66.1%</b>
Tax receipts										
Sales of goods and services other than capital receipts	394	355	90.1%	414	105.1%	90	90	28.5%	139	154.4%
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	13	6	46.2%	9	69.2%	14	14	4.4%	2	14.3%
Sales of capital assets										
Financial transactions in assets and liabilities	206	21	10.2%	177	85.9%	212	212	67.1%	68	32.1%
<b>Provincial Revenue Fund receipts (non-departmental receipts)</b>										
Restructuring proceeds from SASRIA										
Structured levy account from SARB										
<b>Total departmental receipts</b>	<b>613</b>	<b>382</b>	<b>62.3%</b>	<b>600</b>	<b>97.9%</b>	<b>316</b>	<b>316</b>	<b>100.0%</b>	<b>209</b>	<b>66.1%</b>

## Revenue trends for the first six months of 2017/18

The revenue collection in the first quarter was R0.060 million which is 19 percent of the total revenue collection. The revenue collection on Sale of goods and services other than capital assets amounted to R0.046 million which was 49percent of the allocated funds. This is due to commission received for administering services on behalf of other entities and the Sale of tender documents.

In terms of collection of the item: interest, dividends and rent on land, the collection was 14 percent of the allocated funds and financial transaction in assets and liabilities had a collection of R0.014 million or 7 percent.

In the second quarter, the total revenue collection was R0.209 million or 66percent, more collection was on Sale of goods and services revenue collection was R0.139 million or 154 percent of the allocated amount of R0.090 million. The amount of R0.139 million is made up of revenue collection of R0.050 million of Insurance and garnishee and R0.089 million collected from Sale of tender documents. There was no interest collected during the second quarter, the item: Financial transaction in assets and liabilities has a collection of R0.068 million or 50 percent.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent		
<b>1. Administration</b>					1 000		1 000	1 000
<b>Current</b>								
Non Profit Institution								
NPI: PMT/Refund&REM-ACT/Grace					1 000		1 000	1 000
NPI								
<b>2. Housing Needs, Research &amp; Planning</b>	2 635				(2 615)	100	(2 515)	120
<b>Current</b>								
Universities and technikons								
Claims against State High Education institution	1 200				(1 200)		(1 200)	
Household								
Donations	1 435				(1 415)	100	(1 315)	120
<b>3. Housing Development</b>	1 205 180				(26 770)	979	(25 791)	1 179 389
<b>Current</b>								
Household								
H/H Empl S/ben: Leave Gratuity	471				(400)		(400)	71
<b>Capital</b>								
Household								
Emergency Housing Assistance	14 406							14 406
Individual Support (Housing)	172 309				(28 020)		(28 020)	144 289
Institutional Support (Housing)	118 839				1 593		1 593	120 432
Peoples Housing Process (Housing)	22 075				(13 370)		(13 370)	8 705
Project linked Support (Housing)	855 821				13 427		13 427	869 248
Rural Support - inf Land (Housing)	21 259					979	979	22 238
<b>Total transfers and subsidies</b>	<b>1 207 815</b>				<b>(28 385)</b>	<b>1 079</b>	<b>(27 306)</b>	<b>1 180 509</b>

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

2017/18								
R thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent		
<b>3. Housing Development</b>	<b>1 195 038</b>							<b>1 195 038</b>
<b>Current</b>								
Human Settlements Development Grant								
Compensation Of Employees	6 500				11 682		11 682	18 182
Goods and Services	18 749				14 688		14 688	33 437
<b>Capital</b>								
Human Settlements Development Grant								
Households (HH)	1 167 709				(26 370)		(26 370)	1 141 339
Machinery And Equipment	80							80
<b>Capital</b>								
EPWP Intergrated Grant for Prov Households (HH)	2 000							2 000
<b>Total conditional grants</b>	<b>1 195 038</b>							<b>1 195 038</b>

Table 13.6(b): Summary of changes to provincial earmarked funds

2017/18								
R thousand	Main appropriation	Special appropriation	Adjustment appropriation				Total adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable /unavoidable	Virement and shifts	Declared unspent		
<b>1. Administration</b>	<b>1 000</b>							<b>1 000</b>
<b>Current</b>								
NGO Adoption								
Goods And Services	1 000				(1 000)		(1 000)	
Non Profit Institutions (NPI)					1 000		1 000	1 000
<b>3. Housing Development</b>	<b>35 000</b>							<b>35 000</b>
<b>Capital</b>								
Demolition & Cons Of 2 Room Hous Households (HH)	31 000							31 000
<b>Capital</b>								
Top Up Of Military Veterans Households (HH)	4 000							4 000
<b>Total earmarked funds</b>	<b>36 000</b>							<b>36 000</b>

Revised Infrastructure project list

Municipality/ Region	Sub -Programme	Source of funding	Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
						Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>Human Settlements Development Grant</b>								
FEZILE DABI	1.10 NHBRC enrolment (related to grant)	HSDG	Financial Intervention	273	274	274		
FEZILE DABI	1.11a Land parcels procured(IHAHSD)	HSDG	Financial Intervention	5 500	5 500			5 500
FEZILE DABI	2.2a Integrated Residential Development Programme :Phase 1:Planning and Services	HSDG	Incremental Intervention	33 358	10 292		-742	11 034
FEZILE DABI	2.2b Integrated Residential Development Programme :Phase 1:Planning and Services INFORMAL SETTLEMENTS	HSDG	Incremental Intervention	134 071	63 943	1		63 942
FEZILE DABI	2.2c Integrated Residential Development Programme :Phase 2:Top Structure Construction	HSDG	Incremental Intervention	116 724	30 362	2 602		27 760
FEZILE DABI	2.2e Integrated Residential development Programme :Phase 4:Top Structure Construction (INFORMAL SETTLEMENTS)	HSDG	Incremental Intervention	322 427	52 921	5 659		47 262
FEZILE DABI	2.6 Emergency Housing Assistance	HSDG	Incremental Intervention	76 229	11 995			11 995
FEZILE DABI	3.1 Institutional Subsidies	HSDG	Social and housing	9 839	1 504			1 504
FEZILE DABI	3.3b Community residential units (CRU) Constructed	HSDG	Social and housing	116 637	2 501		-46 348	48 849
FEZILE DABI	7.1 Title Deed Backlog	HSDG	Title Deed Backlog	310	229		-10 991	11 220
<b>FEZILE DABI Total</b>				<b>815 368</b>	<b>179 521</b>	<b>8 536</b>	<b>-58 081</b>	<b>229 066</b>
LEJWELEPUTSWA	1.10 NHBRC enrolment (related to grant)	HSDG	Financial Intervention	256	256	256		
LEJWELEPUTSWA	2.2a Integrated Residential Development Programme :Phase 1:Planning and Services	HSDG	Incremental Intervention	44 917	30 477	1 999		28 478
LEJWELEPUTSWA	2.2b Integrated Residential Development Programme :Phase 1:Planning and Services INFORMAL SETTLEMENTS	HSDG	Incremental Intervention	111 546	55 696		-4 100	59 796
LEJWELEPUTSWA	2.2c Integrated Residential Development Programme :Phase 2:Top Structure Construction	HSDG	Incremental Intervention	451 047	49 610	3 406		46 204
LEJWELEPUTSWA	2.2e Integrated Residential development Programme :Phase 4:Top Structure Construction (INFORMAL SETTLEMENTS)	HSDG	Incremental Intervention	422 450	75 968	4 110		71 858
LEJWELEPUTSWA	3.3b Community residential units (CRU) Constructed	HSDG	Social and housing	253 451	18 860	17 600		1 260
LEJWELEPUTSWA	6 Provincial Specific programmes	HSDG	Provincial Specific programmes	12 939	4 550			4 550
LEJWELEPUTSWA	7.1 Title Deed Backlog	HSDG	Title Deed Backlog	8 010	3 061		-13 420	16 481
<b>LEJWELEPUTSWA Total</b>				<b>1 304 616</b>	<b>238 478</b>	<b>27 371</b>	<b>-17 520</b>	<b>228 627</b>
MANGAUNG	1.10 NHBRC enrolment (related to grant)	HSDG	Financial Intervention	12 928	6 163			6 163
MANGAUNG	1.1b Individual housing subsidies (R0 - R3 500) Non - Credit Linked	HSDG	Financial Intervention	26 888	9 350			9 350
MANGAUNG	1.2 Housing finance linked Individual subsidies (FLISP)-(R3 501 - R7 000)	HSDG	Financial Intervention	11 345	11 345			11 345
MANGAUNG	1.3 Enhanced Extended Discount Benefit Scheme (EEDBS)	HSDG	Financial Intervention	940	940	940		
MANGAUNG	1.7 Accredited Municipalities (level 1 & 2):	HSDG	Financial Intervention	3 000	2 000			2 000
MANGAUNG	1.8 Operational Capital Budget	HSDG	Financial Intervention	245 239	59 193			59 193
MANGAUNG	2.2a Integrated Residential Development Programme :Phase 1:Planning and Services	HSDG	Incremental Intervention	393 449	29 314	29 161		153
MANGAUNG	2.2b Integrated Residential Development Programme :Phase 1:Planning and Services INFORMAL SETTLEMENTS	HSDG	Incremental Intervention	309 963	94 879		-76 939	171 818
MANGAUNG	2.2c Integrated Residential Development Programme :Phase 2:Top Structure Construction	HSDG	Incremental Intervention	149 980	64 633	52 965		11 668
MANGAUNG	2.2d Integrated Residential Development Programme :Phase 2:Top Structure Construction INFORMAL SETTLEMENTS	HSDG	Incremental Intervention	52 292	13 886		-16 166	30 052
MANGAUNG	2.2e Integrated Residential development Programme :Phase 4:Top Structure Construction (INFORMAL SETTLEMENTS)	HSDG	Incremental Intervention	417 156	84 946	22 552		62 394
MANGAUNG	2.6 Emergency Housing Assistance	HSDG	Incremental Intervention	489	195			195
MANGAUNG	4.1 Farm Worker Housing Assistance	HSDG	Rural Intervention	2 976	1 770			1 770
MANGAUNG	4.2 Rural Housing: Communal land rights	HSDG	Rural Intervention	18 108	5 382	5 382		
MANGAUNG	3.1 Institutional Subsidies	HSDG	Social and housing	319 267	66 684	18 033		48 651
MANGAUNG	3.3b Community residential units (CRU) Constructed	HSDG	Social and housing	268 455	29 290	9 122		20 168
MANGAUNG	6 Provincial Specific programmes	HSDG	Provincial Specific programmes	23 462	17 517			17 517
MANGAUNG	7.1 Title Deed Backlog	HSDG	Title Deed Backlog	65 683	51 655	35 738		15 917
<b>MANGAUNG Total</b>				<b>2 321 620</b>	<b>549 142</b>	<b>173 893</b>	<b>-93 105</b>	<b>468 354</b>

2017 Adjusted Estimates of Provincial Revenue & Expenditure

Municipality / Region	Sub -Programme	Source of funding	Programme	Total project cost	Main budget 2017/18	Adjustments 2017/18		Adjusted Appropriation 2017/18
						Total budget 2017/18 (TO)	Total budget 2017/18 (FROM)	
<b>Human Settlements Development Grant</b>								
THABO MOFUTSANYANE	2.2a Integrated Residential Development Programme :Phase 1:Planning and Services	HSDG	Incremental Intervention	20 448	17 340		-2 163	19 503
THABO MOFUTSANYANE	2.2b Integrated Residential Development Programme :Phase 1:Planning and Services	HSDG	INCREMENTAL SETTLEMENTS	56 523	18 389		-14 389	32 778
THABO MOFUTSANYANE	2.2c Integrated Residential Development Programme :Phase 2:Top Structure Construction	HSDG	Incremental Intervention	377 579	65 558		-16 787	82 345
THABO MOFUTSANYANE	2.2e Integrated Residential development Programme :Phase 4:Top Structure Construction (INFORMAL SETTLEMENTS)	HSDG	Incremental Intervention	251 750	35 248		-3 421	38 669
THABO MOFUTSANYANE	2.3a People's Housing process	HSDG	Incremental Intervention	128 897	22 075	13 370		8 705
THABO MOFUTSANYANE	2.6 Emergency Housing Assistance	HSDG	Incremental Intervention	8 152	2 216			2 216
THABO MOFUTSANYANE	4.2 Rural Housing: Communal land rights	HSDG	Rural Intervention	188 530	14 107		-5 382	19 489
THABO MOFUTSANYANE	6 Provincial Specific programmes	HSDG	Provincial Specific programmes	72 037	5 127		-6	5 133
THABO MOFUTSANYANE	7.1 Title Deed Backlog	HSDG	Title Deed Backlog	22 619	3 003		-18 603	21 606
<b>THABO MOFUTSANYANE Total</b>				<b>1 126 535</b>	<b>183 063</b>	<b>13 370</b>	<b>-60 751</b>	<b>230 444</b>
XHARIEP	1.10 NHBC enrolment (related to grant)	HSDG	Financial Intervention	179	180	180		
XHARIEP	2.2a Integrated Residential Development Programme :Phase 1:Planning and Services	HSDG	Incremental Intervention	4 134	2 030			2 030
XHARIEP	2.2c Integrated Residential Development Programme :Phase 2:Top Structure Construction	HSDG	Incremental Intervention					
XHARIEP	2.2e Integrated Residential development Programme :Phase 4:Top Structure Construction (INFORMAL SETTLEMENTS)	HSDG	Incremental Intervention	171 730	40 527	12 320		28 207
XHARIEP	6 Provincial Specific programmes	HSDG	Provincial Specific programmes	193	97			97
XHARIEP	7.1 Title Deed Backlog	HSDG	Title Deed Backlog				-6 213	6 213
<b>XHARIEP Total</b>				<b>176 236</b>	<b>42 834</b>	<b>12 500</b>	<b>-6 213</b>	<b>36 547</b>
<b>Total Human Settlements Development Grant</b>				<b>5 744 375</b>	<b>1 193 038</b>	<b>235 670</b>	<b>-235 670</b>	<b>1 193 038</b>
<b>Demolition and Building of Two Room Houses</b>								
FEZILE DABI	1.5b Rectification of Housing Stock (pre 1994)	EQUITABLE SHARE	Financial Intervention	5 985	4 554	2 710		1 844
LEJWELEPUTSWA	1.5b Rectification of Housing Stock (pre 1994)	EQUITABLE SHARE	Financial Intervention	2 953	2 247		-5 558	7 805
MANGAUNG	1.5b Rectification of Housing Stock (pre 1994)	EQUITABLE SHARE	Financial Intervention	623	474		-916	1 390
THABO MOFUTSANYANE	1.5b Rectification of Housing Stock (pre 1994)	EQUITABLE SHARE	Financial Intervention	21 202	16 131	3 125		13 006
XHARIEP	1.5b Rectification of Housing Stock (pre 1994)	EQUITABLE SHARE	Financial Intervention	9 982	7 594	639		6 955
<b>Total: Demolition and Building of Two Room Houses</b>				<b>40 745</b>	<b>31 000</b>	<b>6 474</b>	<b>-6 474</b>	<b>31 000</b>
<b>Military Veteran Top up</b>								
MANGAUNG	2.2c Integrated Residential Development Programme :Phase 2:Top Structure Construction	EQUITABLE SHARE	Incremental Intervention		4 000			4 000
<b>Total Military Veteran Top up</b>					<b>4 000</b>			<b>4 000</b>
<b>EPWP Grant</b>								
MANGAUNG	2.2b Integrated Residential Development Programme :Phase 1:Planning and Services	EPWP Grant	INCREMENTAL SETTLEMENTS		1 000			1 000
THABO MOFUTSANYANE	2.2b Integrated Residential Development Programme :Phase 1:Planning and Services	EPWP Grant	INCREMENTAL SETTLEMENTS		1 000			1 000
<b>Total EPWP Grant</b>					<b>2 000</b>			<b>2 000</b>
<b>Total</b>				<b>5 785 120</b>	<b>1 230 038</b>	<b>242 144</b>	<b>-242 144</b>	<b>1 230 038</b>

Table 13.8: Summary of adjusted infrastructure appropriation

2017/18			
Infrastructure	Main Appropriation	Increase/ Decrease	Adjusted Appropriation
<b>Existing infrastructure assets</b>			
Maintenance and repair			
Upgrades and additions			
Refurbishment and rehabilitation			
<b>New infrastructure assets</b>			
<b>Infrastructure transfers</b>	1 276 606	(98 267)	1 178 339
Current			
Capital	1 276 606	(98 267)	1 178 339
<b>Infrastructure: Payments for financial assets</b>			
<b>Infrastructure: Leases</b>			
<b>Non infrastructure</b>		51 699	51 699
<b>Total Infrastructure</b>	<b>1 276 606</b>	<b>(46 568)</b>	<b>1 230 038</b>
<i>Capital infrastructure</i>			
<i>Current infrastructure</i>			
<b>Economic classification</b>			
<b>Current payments</b>		51 619	51 619
Compensation of employees		18 182	18 182
Goods and Services		33 437	33 437
Interest and rent on land			
<b>Transfers and subsidies to</b>	1 276 606	(98 267)	1 178 339
Provinces and municipalities			
Departmental agencies and accounts			
Universities and technikons			
Public corporations and private enterprises			
Foreign governments and international organisations			
Non-profit institutions			
Households	1 276 606	(98 267)	1 178 339
<b>Payments for capital assets</b>		80	80
Buildings and other fixed structures			
Machinery and equipment		80	80
Cultivated assets			
Software and other intangible assets			
Land and subsoil assets			
Heritage assets			
<b>Payments for financial assets</b>			
<b>Total</b>	<b>1 276 606</b>	<b>(46 568)</b>	<b>1 230 038</b>

## Aid Assistance

Not applicable