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Introduction

The Adjusted Estimates of Provincial Expenditure 2009 accompanies the Adjustments Appropriation Bill, tabled in the Provincial Legislature by the Finance MEC. Through this bill, the Executive Council seeks Provincial Legislature's approval and adoption of its revised spending plans for the 2009/10 financial year.

The Adjusted Estimates sets out the revised expenditure estimates of provincial departments for 2009/10 financial year including amounts provided for in the main Appropriation Act, and the adjustments budget. In terms of section 31(1) of the Public Finance Management Act, (Act No 1 of 1999) (PFMA), expenditure provided for in the Adjustments Appropriation Bill includes:

- Adjustments required due to significant unforeseeable economic and financial events affecting the fiscal targets set by the annual budget,
- Unforeseeable and unavoidable expenditure recommended by the Executive Council or Budget and Finance Committee of the Provincial Cabinet to whom this task has been assigned,
- Any funds required for emergency situations, in terms of Section 16 of the PFMA,
- Money to be appropriated for expenditure already announced by the MEC for Finance during the tabling of the 2009/10 annual budget eg allocations to OSD for Doctors which has remained ring-fenced in the Provincial Revenue Fund,
- The shifting of funds between and within votes or to follow the transfer of functions, in terms of the Section 42 of the PFMA,
- The utilisation of savings under a main division of a vote for defraying excess expenditure under another main division of the same vote, in terms of Section 43 of the PFMA,
- The roll-over of unspent funds from the preceding financial year.

OVERALL PERFORMANCE

The province has been over-burdened by the commitments as well as accruals that emanate from 2008/09 financial year. Approximately R2.378 billion will be paid for 2008/09 expenditures utilizing 2009/10 budgets to clear accruals and commitments of the previous financial year. In aggregate, the accruals amounted to R902 million.

The Executive Council appointed a Political task team to assist with cost curtailment, clearing accruals and to work towards stabilizing the provincial finances especially in the Department of Health and Department of Education in the province.

Although cost curtailment measures are being implemented, and that the rate of expenditure has slowed down compared to the same period in the previous financial year with respect to non-core items; however the measure with which the reduction of spending is taking place might not be robust enough to actually realise savings and to allow departments to be in a better financial position at the end of the 2009/10 financial year.

The rate of expenditure has also slowed down with respect to the implementation of new plans as focus has been on clearing of accruals, reprioritisation in order to minimise the impact of accruals and also the availability of cashflow to fund expenditures has been problematic.

Based on the projected outcome as at 30 September 2009, it was clear that challenges in education and health are to be repeated for the 2009/10 financial year unless urgent interventions can be implemented. Collectively, departments are redirecting funding from various non-core spending areas in 2009/10 to core spending areas, like education and health. A special allocation of R60 million being a baseline increase was made to the Department of Health in order to address shortfalls in the provision of main cost drivers prior to the adjustment being passed.

MEASURES THAT HAVE BEEN PUT IN PLACE TO ENSURE THAT THE DEPARTMENTS SPEND ACCORDINGLY

A Cost Curtailment monitoring tool was developed by the Provincial Treasury using the Vulindlela system. The tool does not only show areas where savings can be derived but also reflects items that are likely to overspend.

The Executive Council has also appointed a Political Task Team to assist in stabilising the finances especially in the light of the accruals and the recession that is facing us.

The Political Task team has met with the SHE Departments, namely Department of Education, Department of Health and Department of Social Development to assess the extent of budget pressures. Pressures in these two departments were also assessed during the One on One meetings that were held during September 2009.

The Provincial Treasury concluded the bi-lateral sessions with the rest of non social services departments. Medium Term Expenditure Committee Hearings have also been concluded.

The Provincial Treasury has introduced an assessment of the Going Concern in Departments. The aim of the Going Concern is to ascertain whether each department is still able to carry out its operations given the financial resources at its disposal.

The assessment of the Going Concern has assisted in analysing expenditure at the lowest level and also identify any possible savings at an economic classification level.

Departments are able to surrender from non-core items to fund the shortfalls in Education and Health. Amounts that will be surrendered by Departments towards the shortfalls in the Department of Education amount to R139 million. The expenditure trends in the Department of Health are also monitored very closely by the Provincial Treasury, the Political Task Team, the Budget and Finance Committee as well as regular One on One meetings that are held with the Premier of the Province.

Emerging trends with the implementation of cost curtailment measures

An analysis of the goods and services items (non core or “nice to have” items) such as marketing, bursaries, gifts and promotions, etc. for the past three financial years, reveal the potential of savings for the current financial year. The Vulindlela cost curtailment tool is being

used by all departments to make this assessment and also to monitor low spending items, potential savings as well as pressures on spending items.

The implementation of cost curtailment measures across departments have had varied rates of success with positive trends emerging in certain departments. Provincial Departments have presented at the Executive Council Lekgotla that took place on 26-28 October 2009 progress reports on clearing of accruals, progress on implementation of cost curtailment measures, areas of re-prioritisation within the existing budgets, possible surrenders towards addressing challenges in Education and Health as well as impact of clearing accruals on the implementation of 2009/10 approved plans. The issue of cost curtailment measures has been elevated to the level of Executive Council in order to receive the attention that it deserves.

The support of the various governance structures that are indicated above is much appreciated.

Summary of the adjustments for 2009/10 financial year

In addition to 2009/10 main appropriation of R22.545 billion, the MEC for Finance tabled an Adjustments Appropriation Bill on 17 November 2009 that recommended additional spending to the value of R289.418 million funded provincially, R979.553 million funded from the National Fiscus, R0.522 million funded from the National Fiscus, included in the Expanded Public Works Incentive grant, as well as R41.097 million already ring-fenced in the Provincial Revenue Fund for the implementation of OSD for Doctors and other professionals earlier this year. The adjusted fiscal framework amounts to R23.856 billion.

Table 1: .Summary of Funds available for adjustment

Table 1 : Summary of Funds available for adjustment	
	R'000
Hospital Revitalisation	153,500
OSD for Doctors	103,598
OSD for Educators	247,932
Provincial Mandates	154,085
Roll Overs: Schedule 5 Conditional Grants	106,628
Roll Overs: Flagship projects	57,965
Additional Funding from National Grants	113,516
Wage Increase	402,388
Roll Overs: Equitable Share and Conditional Grants in Revenue Fund	59,580
Sub-total	1,399,192
Amounts that will be reduced from Equitable Share in order to correct conditional grant baselines	-88,602
Total adjustments to the Provincial Fiscal Framework	1,310,590

Adjustments to provincial equitable shares

Compensation of Employees

As discussed at the Budget and Finance meeting of 03rd and 10th November 2009, a number of factors have resulted in much higher than anticipated spending by provinces on items and programmes funded primarily through national transfers.

National Treasury has made available **R9 billion** to be added to the Provincial Equitable Share to deal with additional personnel pressures. Mpumalanga's share is **R713 million**.

Table 2: Distribution of Provincial Adjustment to the Equitable Share.

Rmillion	Total Equitable Share Adjustments (inc. OSD Health main budget)	Personnel (general salary adjustments) (additional funding)	OSD Education (additional funding)	OSD Health (additional funding)	OSD Health (main budget) (Variance: proposed vs main budget)
Eastern Cape	1 374	713	644	53	-36
Free State	563	301	218	42	2
Gauteng	1 468	731	577	138	22
KwaZulu-Natal	1 983	949	880	148	6
Limpopo	1 142	591	543	41	-33
Mpumalanga	713	374	324	32	-16
Northern Cape	218	123	83	14	-2
North West	583	316	250	29	-12
Western Cape	956	424	313	149	70
Total	9 000	4 523	3 831	646	-

Occupational Specific Dispensation (OSD) for Educators

Shortfalls have arisen in the implementation of the OSD for educators. The collective agreement was signed on 14 August 2009 which dealt with the finalisation of matters linked to OSD including recognition of experience for educators, salary progression, and improvement of conditions of service for educators.

The National Treasury has made available an amount of **R323.781 million** to fund the OSD for Educators. The entire amount of **R247.932 million** required by the Department of Education is allocated from this fund, thus leaving **R75.849 million** for further re-allocation.

Occupational Specific Dispensation for Doctors and other medical professionals

The agreement reached in the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC) on 07 August 2009 gave effect to the introduction of an OSD for medical doctors, dentists, medical and dental specialists, pharmacists, pharmacy assistants and emergency medical services personnel (paramedics). The process to prepare for implementation has already commenced, which is centrally managed, to ensure that provinces adhere to correct translation methodology.

National Treasury has made available a net amount of **R15.560 million** for the OSD in Health. In addition, an amount of **R41.097 million** which has been ring-fenced in the Provincial Revenue Fund for this purpose is now available, thus resulting in a total of **R56.657 million** being available.

However, the Department of Health has registered a pressure of **R103.598 million**, thus resulting in a short-fall of **R46.941 million**. It is proposed that the shortfall of **R46.941 million** be funded from the **R75.849 million** remaining from the OSD for Educators.

This results in **R28.908 million (R75.849 million less R46.941 million)** remaining unallocated.

Wage Increases

In terms of the wage agreement (Resolution 5 of 2009 of the PSCBC), wage increase for 2009/10 was on average 11.5 per cent. This is 5.5 per cent higher than what provinces planned for when they tabled their 2009 budgets.

National Treasury has made available an amount of **R373.718 million**. The Department of Education has registered a pressure of **R233.930 million**, Public Works **R8.7 million**, and Health **R159.758 million**. The pressures amount to **R402.388 million**; resulting in a shortfall of **R28.670 million**, before taking into account the pressure of the Department of Agriculture and Land Administration amounting to **R8.437 million**, which is dealt with separately.

The shortfall of **R28.670 million** is funded from the unallocated **R28.908 million** remaining from the OSD for Educators, thus leaving **R0.238 million** unallocated.

Provincial Mandates

The Provincial Fiscus has made available an amount of **R138 million to fund the following:**

Funding with respect to Provincial Mandates		
	R'000	
Funding with respect to Provincial Mandates	138,000	
Comprehensive Rural Development Programme at Mkhondo municipality		
Agriculture, Rural Development and Land Administration	43,226	
Economic Development, Environment and Tourism	500	
Education	1,220	
Public Works, Roads and Transport	5,034	
Culture, Sport and Recreation	20	
Sub-total	50,000	
Co-operative Governance and Traditional Affairs	4,000	Allocation to House of Traditional Leaders
Health	60,000	Special allocation for main cost drivers such as medicine and other related expenditures
Provincial Legislature	1,667	Own revenue generated and collected by the Provincial Legislature during 2008/09 financial year
Agriculture, Rural Development and Land Administration	8,437	Wage increase
Sub-total	13,896	
Funds already earmarked	7,000	Provincial Priorities
Funds already earmarked	5,000	Provincial Priorities
Funds allocated to other provincial pressures	1,896	

National Grants

EPWP Incentive Grant - R0.522 million

R0.522 million is allocated to the Department of Agriculture, Rural Development and Land Administration as EPWP Incentive for creating jobs in the CASP programme during 2008/09.

Devolution of Property Rates Fund - R12.445 million

R12.445 million is adjusted to the baseline of the former Department of Public Works with respect to the Devolution of Property Rates Fund Grant to address shortfalls in the fund.

Comprehensive HIV and AIDS Grant- Health - R96.204 million

R96.204 million is added to the baseline of the HIV and AIDS programme to meet the greater demands that arise due to the faster ARV take-up rate.

2010 World Cup Health Preparation Strategy Grant - R4.345 million

This is a new Conditional Grant for the Department of Health, aimed at funding the final FIFA 2010 World Cup preparation strategies. The conditional grant will be utilised to acquire protective clothing, stadia resources, an all terrain vehicle, a golf cart, 2 tents, and the remainder on health services.

Roll-over: Hospital Revitalisation Grant - R153.500 million

Due to slow spending, the Hospital Revitalisation Grant amounting to **R153.500 million** was withheld by the National Department of Health. This amount is made up of **R53.500 million** of the 2007/08 roll over allocation, withheld during 2008/09 financial year. In addition, an amount of **R100 million** of the 2008/09 new allocation was also withheld due to slow spending.

Roll-over: Schedule 5 Conditional Grants-R95.387 million

The province has experienced major challenges with respect to obtaining approval from the National Treasury due to non-compliance by some of the provincial departments with respect to surrendering 2008/09 unspent conditional grant funding.

Schedule 5 conditional grants, by nature are exclusively allocated from a National Fiscus in order to deal with agreed upon government priorities and programmes at a provincial level. National Government is responsible for funding the various programmes, setting up of conditions and provinces are responsible for implementation of such programmes.

At the end of a financial year, any unspent conditional grant funding, provincial departments must surrender these funds and if committed request approval from their respective Treasuries.

The Provincial Treasury would then assess the validity of the commitments and further request a roll over on behalf of the province from the National Treasury.

The Departments listed on the following table failed to surrender the funds indicated in the column for Mpumalanga with the exception of former Department of Public Works on the Devolution of Property Rates Fund. The amounts are then reduced from the equitable share funding. The amounts not surrendered become a first charge on the budget of each respective department.

Table :4 Approved provincial roll overs to 2009/10 financial year

Department Grant		EC	FS	GP	KZN	LP	MP	NC	NW	WC	Total
R thousand											
Education	HIV/AIDS			1 017		433	356				
	NSNP		19 523	43 345	38 279	46 807	22 949			5 195	
	Sub-total		19 523	44 362	38 279	47 240	23 305			5 195	154 599
Health	FPS		7 035				639	906		16 059	
	Hosp Revit		34 138	35 552		5 655	40 218	64 547		815	
	NTSG					6 805					
	HPTDG					491					
	Sub-total		41 173	35 552		12 951	40 857	65 453		16 874	172 003
Housing	IHSD								64		
	Sub-total						0		64		64
Sports	Mass										
	Participation		481			6 000	0	120	3 865		
	Sub-total		481			6 000	0	120	3 865		10 466
Arts & Culture	Library										
	Services		2 126	1 955	1 442	5 404	9 466	10 615	1 709	97	
	Sub-total		2 126	1 955	1 442	5 404	9 466	10 615	1 709	97	23 348
Agriculture	CASP		1 479					8 157			
	Land Care							1 526			
	Disaster management		53			5 000	10 548	134	11 671		
	Ilima/Letsema							13 465	7 513		
	Sub-total		1 532			5 000	10 548	23 282	19 184		48 998
Public Works	Property										
	Rates		44 960	56 000	1 118	5 441	7 552		669	33	
	Sub-total		44 960	56 000	1 118	5 441	7 552		669	33	108 221
Transport	Overload										
	Control Grant						3 659			273 651	
	Sub-total						3 659			273 651	273 651
Total		0	109 795	137 869	40 839	82 036	95 387	99 470	25 491	295 850	791 350

ADJUSTMENT BUDGET ALLOCATION (2009-2010)

On 30 June 2009 a budget of **R22 billion, 586 million and 551 thousand** was re-introduced as indicated earlier. This amount included a ring-fenced allocation of **R41.097 million** for OSD for doctors and other health professionals. The budget allocated to the baselines of Departments amounted to **R22 billion, 545 million and 454 thousand**, and will increase by **R1 billion, 310 million and 590 thousand** to **R23 billion, 856 million and 44 thousand**.

The proposed adjusted budget per vote is as follows:

- **Vote 1: Office of the Premier**

The budget of the Office of the Premier decreases by **R17.670 million**, from **R196.689 million** to **R179.019 million**, the net decrease arises from the function shift with respect to Flagships, to the Departments of Economic Development, Environment and Tourism, Human Settlement and Education.

The House of Traditional Leaders is transferred from the Office of the Premier to the Department of Co-operative Governance and Traditional Affairs. Any additional funding for the House of Traditional Leaders has been adjusted to the baseline of the Department of Co-operative Governance and Traditional Affairs. The Office receives a roll-over of **R5.595 million** in order to fund the previous year's commitments and **R500 thousand** to fund the costs for the Commissions of Inquiry established by the Office of the Premier.

An amount of **R1.5 million** is earmarked from the Department of Health budget for a turn-around strategy in both the Departments of Health and Education in order to address financial management challenges.

- **Vote 2: Provincial Legislature**

The budget of the Provincial Legislature increases by the roll-over on unspent voted funds during the 2008/09 financial year amounting to **R11.277 million**, plus the own revenue amount generated during the same financial year amounting to **R1.667 million**, totaling **R12.944 million**, from **R158.838 million** to **R171.782 million**. The additional funding is earmarked for the purchase of information technology equipment, purchase of computers and printers for officials as well as members, Enterprise Resource Planning (ERP) system related costs, as well as security equipment amongst others.

- **Vote 3: Finance**

The budget of the Department of Finance decreases by the surrendered amount of **R15 million**, from **R236.397 million** to **R221.397 million**. The Department, after implementing cost curtailment measures and undergoing a process of re-prioritization, has been able to contribute R15 million towards the budget shortfall in the Department of Education.

- **Vote 4: Co-operative Governance and Traditional Affairs**

The budget of the department decreases by **R10 million** surrendered towards the budget shortfall in the Department of Education. The budget of the Department increases by a special allocation of **R4 million** to the House of Traditional Leaders, a roll-over of **R4.2 million** for the Disaster Management Centre and **R10.081 million** from the Office of the Premier on the House of Traditional Leaders' function shift, thus increasing the budget from **R414.775 million** to **R423.056 million**.

- **Vote 5: Agriculture, Rural Development and Land Administration**

The budget of the Department increases by **R69.005 million**, from **R799.635 million** to **R868.640 million**.

The additional funding will cater for the wage increase of **R8.437 million**, the roll-over of two conditional grants namely: Disaster Management Grant amounting to **R10.548 million** as well as **R11.241 million** for Infrastructure Grant to provinces.

The two grants will be funded by the reduction of the Equitable Share of the Department by **R18.883 million** as funds were not surrendered by the Department during the 2008/09 financial year. The baseline of the two grants will be corrected.

The funding previously withheld in the Provincial Revenue Fund with respect to the Disaster Management Grant during 2008/09 amounting to **R13.914 million** is also released as the capacity in the Department of Agriculture, Rural Development and Land Administration to absorb the additional funding has improved.

The Department will also receive **R522 thousand** on the Expanded Public Works Incentive Grant for contributing towards the creation of jobs in the Comprehensive Agricultural Support Programme as well as **R43.226 million** for Comprehensive Rural Development at Mkhondo municipality.

- **Vote 6: Economic Development, Environment and Tourism**

The budget of the Department decreases by **R30 million**, being the contribution made by the Department towards the budget shortfall in the Department of Education.

The budget of the Department increases by **R1.842 million** from a function shift, and increases by **R57.840 million** roll-over from unspent voted funds allocated to the Maputo Development Corridor (**R41.859 million**), Heritage Greening and Tourism (**R15.481 million**) Flagship Projects during 2008/09 and additional funds for the creation of SMMEs for water bottling opportunities in Mkhondo municipality (**R500 thousand**).

The Department also receives a roll-over amounting to **R1.652 million** for the construction of a purification pipe at Zithabiseni resort. This results in an increase from **R490.443 million** to **R521.777 million**.

- **Vote 7: Education**

The budget of the Department increases from **R10 billion, 73 million and 199 thousand** by roll-overs of **R23.305 million** on the National School Nutrition grant and HIV and Aids (**R22.949 million and R356 thousand** respectively). The roll over on the Infrastructure grant of **R14.187 million** is funded by the reduction on the equitable share.

The baseline of the Department will be reduced by **R59.901 million** in order to correct the baselines of three conditional grants namely National School Nutrition grant and HIV and Aids Life Skills Education grant as well as Infrastructure grant to provinces.

The Department receives additional funding from the Office of the Premier due to a function shift amounting to **R10.921 million** for the Accelerated Capacity Development Flagship Programme. The Department receives **R247.932 million** for Phase 2 of the Occupation Specific Dispensation (OSD) for Educators and **R233.930 million** for wage increases.

The Department receives **R1.220 million** from the special allocation on Comprehensive Rural Development Programme for the construction of 4 class rooms, 6 toilets and fencing at Twyfelhoek school. The Department will construct 2 classrooms, 4 toilets and fencing at the Bazenzele school.

R139 million surrendered by other departments has been allocated to the Department to fund the pressures, namely Learner Teacher Support Material to the value of **R61 million, R600 thousand** towards examination budget shortfall and **R77.400 million** towards the shortfall in the scholar transport programme.

The budget therefore increases by **R610.594 million** from **R10 billion, 73 million and 199 thousand** to **R10 billion, 683 million and 793 thousand**.

- **Vote 8: Public Works, Roads and Transport**

In terms of the revised government structure announced by the Premier during the State of the Province address, the Department of Roads and Transport is merged with the former Department of Public Works. Although the proclamation came into effect much earlier, the budgets could only be shifted during an adjustment appropriation process.

Unspent committed funds from 2008/09 allocation amounting to **R3.659 million** on the Overload Control Grant will be rolled over to the Department. The roll over will be funded by the reduction of equitable share in order to correct an irregular utilization of the grant during 2008/09 financial year.

Unspent funds from 2008/09 allocation on the Overload Control Grant amounting to **R4.292 million** will be reduced from the equitable share of the Department as these funds were forfeited into the National Revenue Fund.

The Department has made a contribution of **R50 million** towards the shortfall in the Department of Education.

R522 thousand for the Expanded Public Works Incentive Grant is transferred to the Department of Agriculture, Rural Development and Land Administration for contributing towards the creation of jobs in the Comprehensive Agricultural Support Programme (CASP) during the 2008/09 financial year.

The Department receives a roll-over on Devolution of Property Rates grant amounting to **R7.552 million** and **R12.445 million** as additional funding in order to address the shortfall in funding. A roll-over will be received by the Department for the acquisition of land to the value of **R8.755 million**.

On wage increases, the Department receives **R8.7 million**.

In order to deal with a function shift, the Department's baseline has been reduced by **R5.223 million** for the creation of the office of the Executing Authority in the Department of Human Settlements.

The Department under the Expanded Public Works Programme receives **R14.758 million** on the National Youth Service programme as well as **R10.900 million** for the provision of coal in the provincial hospitals.

The Department receives **R5.034 million** on the Comprehensive Rural Development in Mkhondo municipality for infrastructure related expenditure as well as purchase of bicycles on the Shovakalula programme.

The baseline of the Overload Control grant is corrected by the reduction of the equitable share funding.

The budget therefore increases by **R2 billion, 150 million and 712 thousand** from **R476.899 million** to **R2 billion, 627 million and 611 thousand**.

- **Vote 9: Safety, Security and Liaison**

The budget of the Department remains at **R90.415 million**.

- **Vote 10: Health**

The budget of the Department increases by roll-overs of **R40.857 million** made up of **R639 thousand** on the Forensic Pathology grant and **R40.218 million** on the Hospital Revitalization grant.

The Hospital Revitalisation Grant amounting to **R153.500 million**, that was withheld by the National Department of Health is now released by the National Treasury, back to the Provincial Revenue Fund for allocation to the Mpumalanga Department of Health.

The Department receives **R15.560 million** for Occupation Specific Dispensation (OSD) for doctors. An earlier allocation amounting to **R41.097 million**, which was previously ring-fenced in the Provincial Treasury, is added to the baseline of the Department in order to fund the Occupation Specific Dispensation (OSD) for doctors. The remaining amount of **R46.941 million** is then funded from other fiscal envelopes.

In order to implement the wage increases, the Department receives **R159.758 million**.

A special allocation of **R60 million** was made on 9 October 2009 in order to deal with the shortfall on the funding of key cost drivers and other related expenditure. The adjustment appropriation formalizes this transaction as an addition to the baseline of the Department.

On unforeseen and unavoidable expenditures, the Department receives **R96.204 million** on the HIV and AIDS grant in order to deal with the faster uptake of ARVs.

The Department also receives a new conditional grant, the 2010 FIFA World Cup Preparations Grant to the value of **R4.345 million**. The grant is aimed at funding the final FIFA 2010 World Cup preparation strategies. The conditional grant will be utilised to acquire protective clothing, stadia resources, an all terrain vehicle, a golf cart, 2 tents, and the remainder will be spent on health services.

The budget therefore increases by **R618.262 million** from **R5 billion, 429 million and 452 thousand**, to **R6 billion, 47 million and 714 thousand**.

- **Vote 11: Roads and Transport**

In terms of the Proclamation signed by the President on the revised Department, the functions and the budget have been shifted from Vote 11 to Vote 8 which is now known as the Department of Public Works, Roads and Transport.

- **Vote 12: Culture, Sport and Recreation**

The budget of the department increases by **R4.482 million**, from **R278.696 million** to **R283.178 million** mainly due to roll over on the Community Libraries grant amounting to **R9.466 million**. However, the baseline of the Department will be reduced by **R5.004 million** in order to correct the baseline of the Community Library services grant. The Department had failed to surrender unspent funds on the grant amounting to R5.004 million.

On the Comprehensive Rural Development Programme at Mkhondo municipality, the Department receives **R20 thousand** for the provision of sporting equipment.

- **Vote 13: Social Development**

The budget of the Department decreases by the surrendered amount of **R24 million**, from **R792.343 million** to **R768.343 million**. After a process of re-prioritization, the Department has made a contribution of R24 million towards the budget shortfall in the Department of Education.

- **Vote 14: Human Settlements**

The budget of the Department decreases by **R10.152 million** which is a contribution of **R10 million** towards the budget shortfall in the Department of Education and the remainder of **R152 thousand** towards other provincial pressures.

On the other hand, the additional funding received by the Department amounting to **R6,144 million** is with respect to the function shift from the Department of Public Works, Roads and Transport for the creation of an office for the Executing Authority (**R5.223 million**) and a function shift on the Water for All Flagship project from the Office of the Premier (**R921 thousand**). Unspent committed funds to the amount of **R 625 thousand** on the Water for All flagship for the 2008/09 financial year will be allocated to the Department and additional funding of **R3.975 million** for the leases of new office space. The budget therefore increases from **R968.727 million to R969.319 million**.

Table 5: Summary of provincial adjustments for 2009/10 financial year

Table 8: Adjusted Estimates		2009/10							
R Thousand	Main Appropriation	Additional appropriation						Total	Adjusted appropriation
		Roll-overs	Virement	Unforeseeable /Unforeseeable	Function shifts	Additional National Grants	Other Provincial Adjustments		
1. Office of The Premier	196,689	5 695			(23 765)		500	(17 670)	179 019
2. Provincial Legislature	158,838	12 944						12 944	171 782
3. Finance	236,397	-					(15 000)	(15 000)	221 397
4. Co-operative Governance and Traditional Affairs	414,775	4 200			10 081		(6 000)	8 281	423 056
5. Agriculture, Rural Development and Land Administrat	799,635	21 789		8 437		14 436	24 343	69 005	868 640
6. Economic Development, Environment and Tourism	490,443	1 652		-	1 842		27 840	31 334	521 777
7. Education	10,073,199	37 492		139 000	10 921		423 181	610 594	10 683 793
8. Public Works Roads and Transport	476,899	16 307			2 083 090	12 445	38 870	2 150 712	2 627 611
9. Safety, Security and Liaison	90,415	-					-	-	90 415
10. Health	5,429,452	194 357		100 549			323 356	618 262	6 047 714
11. Roads and Transport	2,138,946	3 659			(2 088 313)		(54 292)	(2 138 946)	-
12. Culture, Sport and Recreation	278,696	9 466					(4 984)	4 482	283 178
13. Social development	792,343	-					(24 000)	(24 000)	768 343
14. Human Settlements	968,727	-			6 144		(5 552)	592	969 319
Total	22 545 454	307 461	-	247 986	-	26 881	728 262	1 310 590	23 856 044
Economic classification									
Current payments	18 212 643	70 210	-	243 641	80	13 914	732 331	1 060 176	19 272 819
Compensation of employees	13 101 746			8 437	(145)		674 165	682 457	13 784 203
Goods and services	5 110 897	70 210		235 204	225	13 914	58 166	377 719	5 488 616
Interest and rent on land									-
Financial transactions in assets and liabilities									-
Transfer payment and subsidies	2 187 428	9 287	-	-	(20)	12 967	(22)	22 212	2 209 640
Provinces and municipalities	70 387	7 552				12 445	(522)	19 475	89 862
Departmental agencies and accounts	5 000	1 652						1 652	6 652
Universities and technikons									-
Public corporations and private enterprises	141 808								141 808
Foreign governments & international organ									-
Non-profit institutions	1 070 018								1 070 018
Households	900 215	83			(20)	522	500	1 085	901 300
Payments for capital assets	2 145 383	227 964	-	4 345	(60)	-	(4 047)	228 202	2 373 585
Buildings and other fixed structures	1 706 591	207 111			-		(5 755)	201 356	1 907 947
Machinery and equipment	438 571	12 098		4 345	(60)		1 708	18 091	456 662
Cultivated assets	121								121
Software and other intangible assets	100								100
Land and subsoil assets		8 755						8 755	8 755
Heritage assets									-
Specialised military assets									-
Total payments	22 545 454	307 461	-	247 986	-	26 881	728 262	1 310 590	23 856 044

Table 6: Mpumalanga provincial expenditure as at 30 September 2009

DEPARTMENTS	Main appropriation	Expenditure as at 30 September 2009	Outcome as % Budget	Projections up to 31 March 2010	2008/09 Main appropriation	Expenditure as at 30 September 2008	Projections up to 31 March 2009	Outcome as % Budget	Y-O-Y Growth
	R Thousands	R Thousands	%	R Thousands	R Thousands	R Thousands	R Thousands	%	Thousands
Social Services	16,294,994	8,391,900	51.5%	9,599,983	13,838,337	7,290,269	7,836,876	52.7%	15%
Education	10,073,199	5,188,330	51.5%	5,920,166	8,934,232	4,791,013	5,119,296	53.6%	8%
Health	5,429,452	2,907,379	53.5%	3,192,817	4,241,773	2,174,239	2,340,591	51.3%	34%
Social Development	792,343	296,191	37.4%	487,000	662,332	325,017	376,989	49.1%	-9%
Non Social Services	6,250,460	2,952,690	47.2%	3,464,973	4,901,282	2,510,782	2,743,134	51.2%	18%
Office of the Premier	196,689	93,386	47.5%	136,601	182,765	98,680	109,447	54.0%	-5%
Provincial Legislature	158,838	65,099	41.0%	78,830	97,223	53,250	75,604	54.8%	22%
Finance	236,397	103,108	43.6%	131,996	201,062	93,170	101,907	46.3%	11%
Local Government	414,775	190,469	45.9%	341,722	245,229	161,117	130,861	65.7%	18%
Agriculture and Land administration	799,635	393,495	49.2%	427,986	741,576	286,409	431,534	38.6%	37%
Economic Development and Planning	490,443	261,154	53.2%	197,965	442,654	193,914	207,515	43.8%	35%
Public Works	476,899	263,319	55.2%	265,781	429,572	206,246	259,976	48.0%	28%
Safety and Security	90,415	42,758	47.3%	46,657	68,132	31,533	32,315	46.3%	36%
Roads and Transport	2,138,946	952,500	44.5%	1,177,343	1,547,316	821,246	916,908	53.1%	16%
Culture, Sport and Recreation	278,696	114,540	41.1%	169,156	208,933	129,759	110,656	62.1%	-12%
Housing	968,727	472,862	48.8%	490,936	736,820	435,458	366,411	59.1%	9%
TOTAL	22,545,454	11,344,590	50.3%	13,064,956	18,739,619	9,801,051	10,580,010	52.3%	16%
ECONOMIC CLASSIFICATION									
ECONOMIC CLASSIFICATION	Main appropriation	Expenditure as at 30 September 2009	Outcome as % Budget	Projections up to 31 March 2010	2008/09 Main appropriation	Expenditure as at 30 September 2008	Projections up to 31 March 2009	Outcome as % Budget	Y-O-Y Growth
	R Thousands	R Thousands	%	R Thousands	R Thousands	R Thousands	R Thousands	%	Thousands
Current payment	18,212,643	9,087,942	49.9%	10,139,845	14,925,240	7,893,422	8,396,012	52.9%	15%
Compensation of employees	13,101,747	6,135,990	46.8%	7,448,345	10,685,530	5,706,132	6,129,277	53.4%	8%
Goods and Services	5,110,896	2,951,453	57.7%	2,691,500	4,239,710	2,187,152	2,266,735	51.6%	35%
Interest and rent		8							
Financial transactions in assets and liabilities		491	0.0%	0		138		0.0%	
Total transfers and subsidies	2,187,428	1,282,513	58.6%	1,053,914	1,946,775	1,048,798	1,024,375	53.9%	22%
Payments for capital assets	2,145,383	974,135	45.4%	1,871,197	1,867,604	858,831	1,159,623	46.0%	13%
TOTAL	22,545,454	11,344,590	50.3%	13,064,956	18,739,619	9,801,051	10,580,010	52.3%	16%

Office of the Premier

Adjusted Budget Summary

Table 1.1 Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	196 689	179 019	(17 753)	-
<i>of which:</i>				
Current payments	193 322	175 674	(17 648)	-
Transfers and subsidies	-	83	-	83
Payments for capital assets	3 367	3 262	(105)	-
Statutory Amount	1 722	1 722	-	-
Provincial Revenue Fund				
Executive authority	Premier of the Province			
Accounting officer	Director-General: Office of the Premier			

Summary of Revenue

Table 1.2 Summary of Receipts

R Thousand	2009/10 Adjustment Appropriation							2009/10 Adjusted Budget
	2009/10 Main Appropriation	2008/09 Rollover	Unforeseeable /Unavoidable	Virement	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation	
	Equitable Share	196 689	5 595	-	-	-	(23 265)	
Conditional grants	-	-	-	-	-	-	-	-
Own Revenue	-	-	-	-	-	-	-	-
Total Revenue	196 689	5 595	-	-	-	(23 265)	(17 670)	179 019

Mission

To provide strategic leadership through effective co-ordination of government programmes, integrated planning, monitoring and evaluation, and institutional development

Adjusted Estimates of Provincial Expenditure 2009

Table 1.3: Adjusted Estimates

		2009/10							
		Additional appropriation							
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments	Total	Adjusted
R Thousand	Main Appropriation							Additional appropriation	appropriation
1. Administration	88 274	811	-	21 858	(13 684)	-	500	9 485	97 759
2. Institutional Development	52 475	4 482	-	(12 456)	-	-	-	(7 974)	44 501
3. Policy and Governance	54 218	302	-	(9 402)	(10 081)	-	-	(19 181)	35 037
Subtotal	194 967	5 595	-	(23 765)	-	-	500	(17 670)	177 297
Statutory Amount	1 722								1 722
Total	196 689	5 595	-	(23 765)	-	-	500	(17 670)	179 019

Table 1.3: Adjusted Estimates

		2009/10							
		Additional appropriation							
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments	Total	Adjusted
R Thousand	Main Appropriation							Additional appropriation	appropriation
Economic classification									
Current payments	193 322	5 492	-	-	(23 640)	-	500	(17 648)	175 674
Compensation of employees	129 196	-	-	(16 507)	(10 053)	-	-	(26 560)	102 636
Goods and services	64 126	5 492	-	16 507	(13 587)	-	500	8 912	73 038
Transfer payment and subsidies	-	83	-	-	-	-	-	83	83
Households	-	83	-	-	-	-	-	83	83
Payments for capital assets	3 367	20	-	-	(125)	-	-	(105)	3 262
Machinery and equipment	3 367	20	-	-	(125)	-	-	(105)	3 262
Total payments	196 689	5 595	-	-	(23 765)	-	500	(17 670)	179 019

Details of Adjustments to Estimates of Provincial Expenditure 2009

Virements

Table 1.4: Details on virements per programme and economic classification

From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
Administration			Administration		
Compensation of employees	The Office had not filled the vacant funded posts due to cost curtailment measures.	(8401)	Goods and services	Savings were made in the Programme to fund the unfunded mandates of 2010 Office and Accelerated Capacity Building	8 401
TOTAL:		(8 401)			8 401
Institutional Development			Administration		
Compensation of employees	The Office had not filled the vacant funded posts due to cost curtailment measures	(2779)	Goods and services	To defray over expenditure	12 456
Goods and services	Savings were derived from downscaling accomodation, catering and training	(9677)			
TOTAL:		(12 456)	TOTAL:		12 456
Policy and Governance			Administration		
Compensation of employees	The Office had not filled the vacant funded posts due to cost curtailment measures.	(5327)	Goods and services	To defray over expenditure	9 402
Goods and services	Savings were derived from downscaling accomodation, travel & Subsistence, and catering	(4075)			
Total Transfers and Subsidies			Total Transfers and Subsidies		
Machinery and Equipment			Machinery and Equipment		
TOTAL:		(9 402)			9 402
Total for vote:		(30 259)			30 259

Roll-over of funds – R5.595 million

Programme 1: Administration

R0.811 million has been rolled over to fund accruals carried over from the previous financial year.

Programme 2: Institutional Development

R4.482 million has been rolled over for payment of previous year commitments for Branding and Marketing, Executive Coaching and Printing and Publication.

Programme 3: Policy and Governance

R0.282 million has been rolled over for expenditure with regard to the Premiers' Disability awards. R0.020 million has been rolled over for House of Traditional Leaders' offices.

Other adjustments

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

Programme 1: Administration

An amount of R13.684 million is transferred to Department of Education (R10.921 million), Department of Human Settlement (R0.921million) and Department of Economic Development (R1.842 million). This is in relation to the budget for compensation of employees of the four Flagship CEOs and operational budget for Accelerated Capacity Development Programme.

Programme 3: Policy and Governance

An amount of R10.081 million is transferred to Corporative Governance and Traditional Affairs (COGTA) with respect to the transfer of the House of Traditional Leaders. The function is transferred to COGTA with its original budget (R9.999 million) plus roll-over (R0.082 million).

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 1.5 : Expenditure Trends

	2008/9				2009/10			
	Expenditure outcome				Preliminary expenditure			
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	78 760	38 137	48%	78 494	100%	97 759	39 870	41%
2. Institutional Development	79 714	32 605	41%	70 841	89%	44 501	21 086	47%
3. Policy & Governance	51 785	27 362	53%	50 208	97%	35 037	16 951	48%
Subtotal	210 259	98 104	47%	199 543	95%	177 297	77 907	44%
Statutory Amount	1 517	576	38%	1 517	100%	1 722	687	40%
Total	211 776	98 680	47%	201 060	95%	179 019	78 594	44%
Economic classification								
Current payments	207 136	89 835	43%	194 050	94%	175 674	77 273	44%
Compensation of employees	103 026	43 204	42%	94 375	92%	102 636	45 665	44%
Goods and services	104 110	46 631	45%	99 675	96%	73 038	31 608	43%
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Transfer payment and subsidies	-	4 022	0%	1 200	0%	83	83	100%
Foreign governments & international organ	-	-	-	1 000	-	-	-	-
Non-profit institutions	-	4 022	-	-	-	-	-	-
Households	-	-	-	200	-	83	83	100%
Payments for capital assets	4 640	4 823	104%	5 810	125%	3 262	1 238	38%
Machinery and equipment	4 640	4 823	104%	5 810	125%	3 262	1 238	38%
Total payments	211 776	98 680	47%	201 060	95%	179 019	78 594	44%

Selected expenditure trends for the first half of 2009/10

Total expenditure for 2008/09 was 95 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 was R78.6 million or 44 percent of the adjusted appropriation of R178.5 million.. In comparison, mid-year expenditure in 2008/09 was R98.7 million or 47 percent of the 2008/09 adjusted appropriation.

The Vote's year on year expenditure for the first six months has declined by 3 percent. The year on year decline is attributable to the cost curtailment measures applied in the Office in addition a moratorium has been put in place on the filling of vacant funded posts in order to respond to cost curtailment measures. Vacant funded posts have not been filled due to cost curtailment until the next financial year.

Departmental receipts

Table 1.6: Receipts

	2008/09				2009/10				
	Adjusted Estimate	Receipts outcome		Preliminary receipts					
		Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts	564	899		1 752	311%	560	560	1 005	179%
Sales of goods and services other than capital assets	95	54	57%	260	274%	100	100	52	52%
Interest, dividends and rent on land	369	633	172%	1 097	297%	350	350	573	164%
Sales of capital assets	70	68	97%	395	564%	110	110	-	-
Financial transactions in assets and liabilities	30	144	480%	-	-	-	-	380	-
Total	564	899	159%	1 752	311%	560	560	1 005	179%

Selected revenue trends for the first half of 2009/10

Revenue collection in the first six months of 2009/10 was R1.0 million or 179 percent of the adjusted revenue estimate of R0.560 million for the year. In comparison, mid-year revenue collection in 2008/09 was R0.899 million or 159 percent of the 2008/09 adjusted revenue estimate.

The Vote's year on year revenue collection for the first six months has increased by R0.106 million or 20 percent.

The reason for the improved collection is mainly attributed to the settlement of previous year's debts that were owed by the various provincial departments in respect of Executive Development Programme (EDP).

Mpumalanga Provincial Legislature

Adjusted Budget Summary

Table :2.1 Adjusted Budget Summary

2009/10				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	158 838	171 782	-	12 944
<i>of which:</i>				
Current payments	132 244	137 681	-	5 437
Transfers and subsidies	12 694	12 694		-
Payments for capital assets	13 900	21 407		7 507
Statutory Amount	24 503	24 503		-
Provincial Revenue Fund				
Executive authority	Speaker of the Mpumalanga Provincial Legislature			
Accounting officer	Secretary to the Mpumalanga Provincial Legislature			

Summary of Revenue

Table 2.2 Summary of Receipts

R Thousand	2009/10 Main Appropriation	2009/10 Adjustment Appropriation					2009/10 Adjusted Budget	
		2008/09 Rollover	Unforeseeable/Un avoidable	Virement	Additional National Grants	Other provincial Adjustments		Total Additional Appropriation
Equitable Share	150 899	11 277					11 277	162 176
Conditional grants								
Own Revenue	7 939	1 667					1 667	9 606
Total Revenue	158 838	12 944	-	-	-	-	12 944	171 782

Mission

We will effectively and efficiently hold the executive and other state organs accountable through intensified oversight, enhance public education and participation, ensure improved service delivery by adhering to the Batho Pele principles, make laws, and supported by administrative excellence.

Adjusted Estimates of Provincial Expenditure 2009

Table 2.3: Adjusted Estimates		2009/10								
R Thousand	Main Appropriation	Additional appropriation						Total	Adjusted appropriation	
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	National Grants	Provincial Adjustments			Other
Administration	69 914	10 944						10 944	80 858	
Facilities For Members and Political Parties	47 066							-	47 066	
Parliamentary Operations	41 858	2 000						2 000	43 858	
Total	158 838							12 944	171 782	
Economic classification										
Current payments	132 244	5 437	-	-	-	-	-	5 437	137 681	
Compensation of employees	81 307							-	81 307	
Goods and services	50 937	5 437	(36)					5 401	56 338	
Financial transactions in assets and liabilities			36					36	36	
Transfer payment and subsidies	12 694							-	12 694	
Provinces and municipalities										
Non-profit institutions	12 694							-	12 694	
Households										
Payments for capital assets	13 900	7 507						7 507	21 407	
Buildings and other fixed structures										
Machinery and equipment	13 800	7 507						7 507	21 307	
Software and other intangible assets	100							-	100	
Total payments	158 838	12 944						12 944	171 782	

Details of Adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds – R12.944 million

The roll-over is comprised of R11.277 million voted funds and R1.667 million revenue retained by the Legislature in terms of section 22 (1) (a) of the Public Finance Management Act.

Programme 1: Administration

R7.507 million has been allocated to this programme for capital expenditure for information technology equipment, R0.552 million being addition to ERP system related costs; R2.880 million is allocated for the settlement of the PPU truck and the replacement of VIP and old pool vehicles; R2.575 million for the purchase of new computers and printers for staff and Members; R0.400 million to replace old furniture; and R1.100 million has been allocated for security equipment and R0.987 million has been allocated for payment of 2008/09 commitments.

R0.8 million has been allocated to Corporate Services sub-programme for the organisational redesign and the assessment of the delinking project; security services have been allocated R0.5 million, the acquisition of Disaster Recovery Plan and Business Continuity Plan have been allocated R0.5 million and an additional R0.650 million for the insurance for staff and Members.

Programme 3: Parliamentary Operations

R2 million has been allocated to Public Affairs section to augment the budget for the State of the Province Address..

Virements

Programme 1: Administration

R0.36 million has been shifted to fund the write-off of debts from a saving identified in the sub-programme – Office of the Secretary.

Table 2.4: Details on virements per programme and economic classification

From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
1. Administration Current payments Goods and services	Savings from Legal Advice item	36	1. Administration Payments for financial Assets Financial Transactions in Assets and Liabilities	Irrecoverable debt	36
TOTAL		36			36

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 2.5 : Expenditure Trends

	2008/9				2009/10			
	Expenditure outcome				Preliminary expenditure			
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	49 126	23 266	47	46 099	94	80 858	24 409	30
2. Facilities For Members and Political Parties	53 123	16 548	31	47 301	89	47 066	21 590	46
3. Parliamentary Operations	34 512	13 436	39	32 084	93	43 858	19 100	44
Subtotal	136 761	53 250	39	125 484	92	171 782	65 099	38
Statutory Amount	22 932	7 387		17 720	77	24 503	11 899	49
Total	136 761	53 250	39	125 484	92	171 782	65 099	38
Economic classification								
Current payments	107 633	43 448	0	97 085	90	137 681	54 449	40
Compensation of employees	67 531	26 692	40	59 502	88	81 307	34 213	42
Goods and services	39 914	16 756	42	37 395	94	56 338	20 200	36
Interest and rent on land								
Financial transactions in assets and liabilities	188			188	100	36	36	100
Transfer payment and subsidies	23 705	5 516	23	23 705	100	12 694	6 958	55
Provinces and municipalities								
Non-profit institutions	23 705	5 516	23	23 705	100	12 694	6 958	55
Households								
Payments for capital assets	5 423	4 286	79	4 694	87	21 407	3 692	17
Buildings and other fixed structures								
Machinery and equipment	5 423	4 266	79	4 648	86	21 307	3 692	17
Software and other intangible assets		20	0	46	0	100		0
Land and subsoil assets								
Total payments	136 761	53 250	39	125 484	92	171 782	65 099	38

Main expenditure trends for the first half of 2009/10

The comparison of expenditure trends for same reporting period indicate a budget growth of 25 percent or R35.021 million in nominal rand value. Overall percentage spending has declined by 1 percent from 39 percent in 2008/09 to 38 percent in 2009/10. The reason for

slow spending pace is the delay in starting with Legislature work after election as a result of processes to establish the Fourth Legislature. All three programmes percentage spending are below Treasury benchmark of 50 percent for the period under review as a result of delays in process of establishing the fourth Provincial Legislature.

Provincial Legislature receipts

Table 2.6: Receipts

	2008/09		2009/10						
	Adjusted Estimate	Receipts outcome		Preliminary receipts				% of Adjusted estimates	
	Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09		
R thousand									
Departmental receipts									
Sales of goods and services other than capital assets	142	55	39	113	80	118	118	40	34
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	1 033	469	45	1 065	103	1 150	1 150	749	65
Sales of capital assets	289	275	95	276	96	137	137	65	47
Financial transactions in assets and liabilities	89	15	17	213	239	192	192	101	53
Total	1 553	814	52	1 667	104	1 597	1 597	955	60

Main Provincial Legislature revenue trends for the first six months of 2009/10

The increase of 8 percent on revenue collected from 52 percent in 2008/09 to 60 percent in 2009/10 was caused mainly by interest earned on Pay Master General Account which is attributed to slow spending trends and the projected underspending.

Finance

Adjusted Budget Summary

2009/10				
R thousand	Main appropriation	Adjusted	Decrease	Increase
Amount to be appropriated	236 397	221 397	(15 000)	-
<i>of which:</i>				
Current payments	232 397	217 397	(15 000)	-
Transfers and subsidies	-	-	-	-
Payments for capital assets	4 000	4 000	-	-
Statutory Amount	1 328	1 328	-	-
Provincial Revenue Fund	-	-	-	-
Executive authority	MEC for Finance			
Accounting officer	Deputy Director-General of Finance			

Summary of Revenue

R Thousand	2009/10 Adjustment Appropriation							
	2009/10 Main Appropriation	2008/09 Rollover	Unforeseeable/Un avoidable	Virement	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation	2009/10 Adjusted Budget
Equitable Share	236 397	-	-	-	-	(15 000)	-	221 397
Conditional grants	-	-	-	-	-	-	-	-
Own Revenue	-	-	-	-	-	-	-	-
Total Revenue	236 397	-	-	-	-	(15 000)	-	221 397

Mission

To allocate available resources consistent with Provincial Government strategic objectives and priorities through effective monitoring of resource utilization, prudent financial management, advice and support for enhanced service delivery.

Adjusted Estimates of Provincial Expenditure 2009

Table 3.3: Adjusted Estimates

		2009/10							
		Additional appropriation							
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments	Total Additional appropriation	Adjusted appropriation
R Thousand	Main Appropriation								
Administration	84 083	-	-	3 439	-	-	-	3 439	87 522
Sustainable Resource Management	34 293	-	-	5 895	-	-	-	5 895	40 188
Assets & Liabilities Management	29 512	-	-	(2 360)	-	-	(9 440)	(11 800)	17 712
Financial Governance	87 181	-	-	(6 974)	-	-	(5 560)	(12 534)	74 647
Subtotal	235 069	-	-	-	-	-	(15 000)	(15 000)	220 069
Statutory Amount	1 328	-	-	-	-	-	-	-	1 328
Total	236 397	-	-	-	-	-	(15 000)	(15 000)	221 397
Economic classification									
Current payments	232 397	-	-	-	-	-	(15 000)	(15 000)	217 397
Compensation of employees	112 815	-	-	-	-	-	(9 700)	(9 700)	103 115
Goods and services	119 582	-	-	-	-	-	(5 300)	(5 300)	114 282
Financial transactions in assets and	-	-	-	-	-	-	-	-	-
Payments for capital assets	4 000	-	-	-	-	-	-	-	4 000
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 000	-	-	-	-	-	-	-	4 000
Total payments	236 397	-	-	-	-	-	(15 000)	(15 000)	221 397

Details of Adjustments to Estimates of Provincial Expenditure 2009

Virements

Table 3.4: Details on virements per programme and economic classification

- Administration
- Sustainable Resource Management
- Assets and Liabilities Management
- Financial Governance

From			To		
Programme / Economic classification	Motivation	R thousand	Programme / Economic classification	Motivation	R thousand
Programme 3			Programme 1		
Goods and services	Reduction in operating costs.	2 360	Goods and services	For payment of Audit fees due to increased rates.	2 360
Sub Total:		2 360			2 360
Programme 4			Programme 1		
Goods and services	Reduction in operating costs.	1 079	Goods and services	To defray excess expenditure on operating leases and Fuel for GG Vehicles.	1 079
Sub Total:		1 079	TOTAL:		1 079
Programme 4			Programme 2		
Goods and services	Reduction in operating costs.	5 895	Goods and services	To defray excess expenditure on Operational Support Team (OST) intervention.	5 895
Sub Total:		5 895			5 895
Total for vote: 3		9 334			9 334

Other adjustments - R15 million

Programme 3: Assets and Liabilities Management

A saving of R9.44 million will be surrendered to Provincial Revenue Fund.

Programme 4: Financial Governance

A saving of R5.56 million will be surrendered to Provincial Revenue Fund.

Expenditure for 2008/09 and preliminary expenditure for 2009/10

R Thousand	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted
Administration	71 100	37 941	53%	74 902	105%	87 522	39 473	45%
Sustainable Resource Management	249 758	12 581	46%	173 558	69%	40 188	25 111	62%
Assets and Liabilities Management	21 459	8 375	32%	20 363	95%	17 712	7 502	42%
Financial Governance	96 200	34 273	43%	88 622	92%	74 647	30 331	41%
Subtotal	438 517	93 170	21%	357 445	82%	220 069	102 417	47%
Statutory Amount	1 328	582	43%	1 468	111%	1 328	691	52%
Total	439 845	93 752	64%	358 913	192%	221 397	103 108	47%
Economic classification								
Current payments	387 573	91 727	24%	304 806	79%	217 397	102 420	47%
Compensation of employees	82 166	38 926	44%	82 032	100%	103 115	48 953	47%
Goods and services	305 407	52 801	49%	222 768	73%	114 282	53 467	47%
Financial transactions in assets and liabilities	-	-	0%	6	0%	-	-	0%
Transfer payment and subsidies	48 000	-	0%	48 043	100%	-	-	0%
Provinces and municipalities	48 000	-	0%	48 013	100%	-	-	0%
Households	-	-	0%	30	0%	-	-	0%
Payments for capital assets	4 272	1 443	34%	4 596	108%	4 000	688	17%
Buildings and other fixed structures	-	-	0%	52	0%	-	-	0%
Machinery and equipment	4 272	1 443	36%	4 535	106%	4 000	688	17%
Land and subsoil assets	-	-	0%	-	0%	-	-	0%
Total payments	439 845	93 170	21%	357 445	81%	221 397	103 108	47%

Main expenditure trends for the first half of 2009/10

Total expenditure for 2008/09 was 21 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 was R103.108 million or 47 percent of the adjusted appropriation of R221.397 million for the year. In comparison, mid-year expenditure in 2008/09 was R93.17 million or 21 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 increased by R9.938 million or 11 percent compared to spending in the first six months of 2008/09.

The low spending trends in 2008/09 financial year were influenced by the addition of the budget of the 5 flagship projects amounting to R170.3 million. The budget of flagship projects has been transferred to the respective lead departments in the 2009/10 adjustment process.

Departmental receipts

Table 3.6: Receipts

	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome				Preliminary receipts			
		Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts									
Sales of goods and services other than capital assets	2 000	1 128	55	1 749	85	1 766	1 766	1 231	70
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	38 489	33 074	86	64 024	167	54 328	54 328	27 665	51
Sales of capital assets	-	-	-	57	-	-	-	2	-
Financial transactions in assets and liabilities	-	7	47	154	-	-	-	14	-
Total	40 489	34 209	85	65 984	163	56 094	56 094	28 912	52

Main departmental revenue trends for the first half of 2009/10

Departmental revenue collection in the first six months of 2009/10 was R28.912 million or 52 percent of the adjusted revenue estimate of R56.094 million for the year as a whole. In comparison, mid-year revenue collection in 2008/09 was R34.209 million or 85 percent of the 2008/09 adjusted estimate. Departmental revenue collection in the first six months of 2009/10 decreased by R5.297 million or 15 percent when compared to revenue in the first six months of 2008/09. The decrease in the revenue collection is due to the fact that lesser interest is earned as less funds remain in the Intergovernmental Cash Coordination Account when compared to the previous financial year.

Co-operative Governance and Traditional Affairs

Adjusted Budget Summary

Table 4.1 Adjusted Budget Summary		2009/10		
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	414 775	423 056		8 281
<i>of which:</i>				-
Current payments	317 875	315 988	(1 887)	-
Transfers and subsidies	5 900	16 400		10 500
Payments for capital assets	91 000	90 668	(332)	-
Statutory Amount				
Provincial Revenue Fund	1 500	1 500		
Executive authority	MEC for Co-operative Governance and Traditional Affairs			
Accounting officer	Deputy Director-General of Co-operative Governance and Traditional Affairs			

Summary of Revenue

Table 4.2 Summary of Receipts		2009/10 Adjustment Appropriation						
R Thousand	2009/10 Main Appropriation	2008/09 Rollover	Unforeseeable /unavoidable Virement	Shifting of functions	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation	2009/10 Adjusted Budget
Equitable Share	316 714	4 200		10 081		(6 000)	8 281	324 995
Conditional grants							-	-
Own Revenue	98 061						-	98 061
Total Revenue	414 775					(6 000)	8 281	423 056

Mission

The aim of the department is to facilitate and co ordinate intergovernmental structures and development agencies for sustainable integrated service delivery through participation and traditional system of governance.

Change of programme purposes, objectives and measures

Programme 5: House of Traditional Leaders

Transfer of functions from the Office of the Premier to Co-operative Governance and Traditional Affairs due to realignment of the functions.

Adjusted Estimates of Provincial Expenditure 2009

SUMMARY		2008/09						Adjusted appropriation	
R Thousand	Main Appropriation	Additional appropriation					Total Additional appropriation		
		Roll-overs	Unforeseeable /unavoidable	Virement	Function Shifting	Additional National Grants		Other Provincial Adjustments	
1. Administration	122 393	-	-	(27 173)	-	-	-	(27 173)	95 220
2. Local Governance	141 944	-	-	(13 101)	-	-	-	(13 101)	128 843
3. Development and Planning	93 092	4 200	-	40 757	-	-	(10 000)	34 957	128 049
4. Traditional Institutional Management	55 846	-	-	(483)	-	-	-	(483)	55 363
5. House of Traditional Leaders	-	-	-	-	10 081	-	4 000	14 081	14 081
Subtotal	413 275	4 200	-	-	10 081	-	(6 000)	8 281	421 556
Direct charges against the Provincial Revenue									
Fund	1 500	-	-	-	-	-	-	-	1 500
Total	414 775	4 200	-	-	-	-	(6 000)	8 281	423 056
Economic classification									
Current payments	317 875	-	-	(15 863)	9 976	-	4 000	(1 887)	315 988
Compensation of employees	196 202	-	-	(4 347)	6 369	-	-	2 022	198 224
Goods and services	121 673	-	-	(11 516)	3 607	-	4 000	(3 909)	117 764
Transfer payment and subsidies	5 900	-	-	10 500	-	-	-	10 500	16 400
Provinces and municipalities	-	-	-	10 000	-	-	-	10 000	10 000
Non-profit institutions	5 900	-	-	-	-	-	-	-	5 900
Households	-	-	-	500	-	-	-	500	500
Payments for capital assets	91 000	4 200	-	5 363	105	-	(10 000)	(332)	90 668
Buildings and other fixed structures	73 000	4 200	-	5 363	-	-	(10 000)	(437)	72 563
Machinery and equipment	18 000	-	-	-	105	-	-	105	18 105
Specialised military assets	-	-	-	-	-	-	-	-	-
Total payments	414 774	4 200	-	-	10 081	-	(6 000)	8 281	423 056

Details of Adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds – R4.200 million

Programme 3: Development and Planning

A roll-over of R4.2 million has been allocated to programme 3 on Disaster Management sub directorate for the purpose of Disaster Management Centre.

Virements

Table 4.4: Details on virements per programme and economic classification

Programme					
1. Administration					
2. Local Governance					
3. Development and Planning					
4. Traditional Institutional Management					
5. House of Traditional Leaders					
From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
Programme 1			Programme 1		
Compensation of employees	Delay of appointments	(500)	Household		500
Goods and services	Cost curtailment	(24 673)	Programme 3		
			Payments of capital assets	Funding of water for all project	17 474
			Programme 2		
Buildings and other fixed structure	Partitioning delayed	(2 500)	Goods and services	Municipal intervention	9 699
TOTAL:		(27 673)			27 673
Programme 2			Programme 2		
Compensation of employees	Delay of appointment of a Chief Director	(3 000)	Compensation of employees	Salaries for the Municipal Intervention	4 000
Goods and services	Savings for payment of salaries for municipal intervention	(1 000)	Programme 3		
Provinces and municipalities	Savings for water for all related projects	(2 800)	Goods and services	Payment s of water for all related projects	2 800
Buildings and other fixed structure	Redirected to the revamping of electricity in Bethal and for boreholes in various municipalities as per Cabinet resolution.	(20 000)	Buildings and other fixed structures	For revamping of electricity in Bethal and boreholes in various municipalities	20 000
TOTAL:		(26 800)	TOTAL:		26 800
Programme 3			Programme 3		
Compensation of employees	Savings to cover overspending on goods and services.	(2 889)	Goods and services	Payment s of water for all related projects	2 500
Goods and services	Paymentets of water for all related projects	(8 000)	Building and other fixed structure	Paymentets of water for all related projects	8 389
TOTAL:		(10 889)			10 889
Programme 4			Programme 4		
Compensation of employees	Delay in appointments	(770)	Compensation of employees	salary shortfall of on sub-programme	770
Goods and services	Cost curtailment	(4 525)	Goods and services		2 000
			Programme 3		
			Building and other fixed structure	Paymentets of water for all related projects	2 525
TOTAL:		(5 295)			5 295
Total for vote:		(70 657)			70 657

Other adjustments – R24.081 million

Function shifts – R10.081 million

Programme 5: House of Traditional Leaders.

The House of Traditional Leaders has been transferred from the Office of the Premier to the Department of Co-operative Governance and Traditional Affairs.

Self Financing Expenditure- R4 million

Programme 5: House of Traditional Leaders.

An amount of R4.million has been transferred to the House of Traditional Leaders in order to provide for the expenditure on goods and services.

Declared savings - R10 million

Programme 3: Development and Planning

The department made a contribution towards the budget shortfall in the Department of Education.

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table4.5 : Expenditure Trends

R Thousand	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted
1. Administration	52 256	19 950	38%	50 507	97%	123 893	33 429	27%
2. Local Governance	88 959	46 183	52%	93 696	105%	141 944	53 617	38%
3. Development and Planning	151 062	70 198	46%	140 839	93%	93 092	80 268	86%
4. Traditional Institutional Management	38 747	24 162	62%	42 617	110%	55 846	23 155	41%
5. House of Traditional Leaders	11 873	6 499	55%	11 101	93%	9 999	5 162	52%
Subtotal	331 024	161 993	49%	327 659	99%	424 774	195 631	46%
Statutory Amount								
Provincial Revenue Fund	905	446						
Total	331 929	162 439	49%	327 659	99%	424 774	195 631	46%
Economic classification								
Current payments	270 316	145 915	54%	286 838	106%	327 769	130 374	40%
Compensation of employees	129 316	60 107	46%	131 306	102%	202 571	82 776	41%
Goods and services	141 000	85 808	61%	155 532	110%	125 198	47 598	38%
Financial transactions in assets and								
Transfer payment and subsidies	4 600	2 959	64%	4 711	102%	5 900	6 675	113%
Provinces and municipalities								
Non-profit institutions	4 600	2 959		4 711		5 900	6 675	
Households								
Payments for capital assets	68 886	18 118	26%	47 210	69%	91 105	58 582	64%
Buildings and other fixed structures	9 377					73 000	53 199	
Machinery and equipment	59 509	18 118	30%	47 210	79%	18 105	5 383	
Land and subsoil assets								
Total payments	343 802	166 992	49%	338 759	99%	424 774	195 631	46%

Selected expenditure trends for the first half of 2009/10

The overall department spending for the period under review is at 45.9 percent, compared to spending of 49 percent for months under review spending of 2008/09 financial year, which means the expenditure is almost the same.

Departmental receipts

Table 4.6: Receipts

	2008/09					2009/10			
	Receipts outcome					Preliminary receipts			
	Adjusted Estimate	Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts									
Sales of goods and services other than capital assets	16	32	200%	57	356%	34	34	20	59%
Transfers received		-				-		-	
Fines, penalties and forfeits		-				-		1	
Interest, dividends and rent on land	1 924	2 145	111%	4 782	249%	825	1 380	1 046	76%
Sales of capital assets	8	772	9650%	116	1450%	40		-	
Financial transactions in assets and liabilities	18	15	83%	98	544%	-		66	
Extraordinary receipts									
Commission of insurance	99	58	59%	101	102%	87	87	54	62%
Total	2 065	3 022	146%	5 154	250%	986	1 501	1 187	79%

Main departmental revenue trends for the first half of 2009/10

Department revenue collection in first six months of 2009/10 was R1.187 million or 152 percent of the adjusted revenue estimated of R1.501 million for the as a whole. In comparison, mid-year revenue collection in 2008/09 was R3.022 million or 146 percent of the 2008/09 adjusted estimates. Departmental revenue collection in the first six months of 2009/10 decrease by 63 percent, compared to revenue collected in the first six months of 2009/09.

The main source of revenue in the department is on interest, dividend and rent on land category.

Changes to transfers and subsidies

Table 4.7: Summary of changes to transfers and subsidies per programme

R Thousand	Main Appropriation	2009/10						Adjusted appropriation
		Additional appropriation						
		Roll-overs	Virement	Shifting of Functions	Additional National Grants	Other provincial Adjustments	Total Additional appropriation	
1. Administration	-						-	-
Household			500				500	500
3. Development and Planning							-	-
Provinces and Municipalities			10 000				10 000	10 000
4. Traditional Management Institution							-	-
Non - profit institutions	5 900						-	5 900
Subtotal	5 900		10 500				10 500	16 400

Agriculture, Rural Development and Land Administration

Adjusted Budget Summary

Table 5.1 Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	799 635	868 640		191 991
<i>of which:</i>				
Current payments	528 535	671 982	-	143 447
Transfers and subsidies	111 200	159 744		48 544
Payments for capital assets	158 377	35 391	(122 986)	
Statutory Amount	1 523	1 523		
Provincial Revenue Fund				
Executive authority	MEC for Agriculture, Rural Development and Land Administration			
Accounting officer	Deputy Director- General of Agriculture, Rural Development and Land Administration			

Summary of Revenue

Table 5.2 Summary of Receipts

R Thousand	2009/10 Adjustment Appropriation								
	2009/10	2008/09			Function	Additional	Other	Total	2009/10
	Main	2008/09	Unforeseeable/Un	Virement	Shifts	National	provincial	Additional	Adjusted
Appropriation	Rollover	avoidable			Grants	Adjustments	Appropriation	Budget	
Equitable Share	658 101	-	8 437		-	-	24 343	32 780	690 881
Conditional grants	134 837	21 789	-		-	14 436	-	36 225	171 062
Own Revenue	6 697							-	6 697
Total Revenue	799 635	21 789	8 437	-	-	14 436	24 343	69 005	868 640

Mission

To contribute to sustainable development and poverty reduction through:

- Contributing towards sustainable land development and natural resources management.
- Building an internationally competitive and sustainable agricultural sector.
- Contributing to household and provincial food security.
- Effectively leading and co-ordinating provincial rural development.

Adjusted Estimates of Provincial Expenditure 2009

		2009/10							
		Additional appropriation							
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments	Total Additional appropriation	Adjusted appropriation
R Thousand	Main Appropriation								
1 Administration	92 286	-	1 661	6 690	-	-	-	8 351	100 637
2 Sustainable Resource Management	58 604	-	-	(21 998)	-	-	-	(21 998)	36 606
3 Farmer Support and Development	388 142	11 241	2 515	18 987	-	-	(8 335)	24 408	412 550
4 Veterinary Services	81 868	-	1 574	(2 773)	-	-	-	(1 199)	80 669
5 Technical Research and Development	36 348	-	537	(2 217)	-	-	-	(1 680)	34 668
6 Agricultural Economics	14 728	10 548	87	(691)	-	14 436	32 678	57 058	71 786
7 Structured Agricultural Training	41 103	-	686	1 242	-	-	-	1 928	43 031
8 Planning, impact, Pollution and Waste Managem	19 111	-	300	-	-	-	-	300	19 411
10 Environmental Education	45 721	-	825	-	-	-	-	825	46 546
11 Land Administration	21 724	-	252	760	-	-	-	1 012	22 736
Total	799 635			-				69 005	868 640
Economic classification									
Current payments	530 058	21 789	8 437	83 364	-	13 914	15 943	143 447	673 505
Compensation of employees	320 994	-	8 437	6 401	-	-	-	14 838	335 832
Goods and services	209 064	21 789	-	76 963	-	13 914	15 943	128 609	337 673
Transfer payment and subsidies	111 200			47 522	-	522	500	48 544	159 744
Departmental agencies and accounts				56 810				56 810	56 810
Public corporations and private enterprises	56 810			(56 810)				(56 810)	-
Households	54 390	-	-	47 522		522	500	48 544	102 934
Payments for capital assets	158 377			(130 886)	-	-	7 900	(122 986)	35 391
Buildings and other fixed structures	117 268			(103 206)				(103 206)	14 062
Machinery and equipment	40 988			(27 680)			7 900	(19 780)	21 208
Cultivated assets	121								121
Total payments	799 635	21 789	8 437	-	-	14 436	24 343	69 005	868 640

Details of Adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds – R 21.789 million

Programme 3: Farmer Support Development

An amount of R11.241 million has been rolled over for Infrastructure Grant to Provinces. Of this amount only R2.906 million will be rolled over from Provincial Revenue Fund and R 8.335 million will be reduced from the department's equitable share and added to the conditional grant.

Programme 6: Agricultural Economics

R10.548 million has been rolled over for Disaster Management grant. This amount has been reduced from the equitable share as the department failed to surrender at the end of 2008/09 financial year. This amount will be added to the conditional grant.

Unforeseeable and Unavoidable expenditure – R 8.437 million

Programme 1: Administration

An additional R1.661 million is allocated for higher salary increases than the main budget provided for.

Programme 3: Farmer Support Development

An additional R2.515 million is allocated for higher salary increases than the main budget provided for.

Programme 4: Veterinary Services

An additional R1.574 million is allocated for higher salary increases than the main budget provided for.

Programme 5: Technical Research services

An additional R0.537 million is allocated for higher salary increases than the main budget provided for.

Programme 6: Agricultural Economics

An additional R0.087 million is allocated for higher salary increases than the main budget provided for.

Programme 7: Structure Agricultural Training

An additional R0.686 million is allocated for higher salary increases than the main budget provided for.

Programme 8: Planning, Impact, Pollution and Waste Management

An additional R0.300 million is allocated for higher salary increases than the main budget provided for.

Programme 10: Environmental Development

An additional R0.825 million is allocated for higher salary increases than the main budget provided for.

Programme 11: Land Administration

An additional R0.252 million is allocated for higher salary increases than the main budget provided for.

Virements

Table 5.4: Details on virements per programme and economic classification

From			To		
Programme / Economic classification	Motivation	R thousand	Programme / Economic classification	Motivation	R thousand
2 Sustainable Resource Management			1 Administration		
Goods and services	Realigning of operational functions	(2 917)	Goods and services	Centralising of functions to programme 1	1,194
Transfers & subsidies	Reduction in Household due to the re-prioritisation	(19 081)	Machinery and Equipment	Purchase of Government Vehicle.	1,320
			3 Farmer Support Development		
			Goods and services	To up scale Masibuyele Emasimini	19,081
			7 Structured Agricultural Training		
			Compensation of Employees	For compensation of employees	403
TOTAL:		(21 998)			21 998
3 Farmer Support Development			1 Administration		
Goods and services	Realigning of operational functions	(2 324)	Goods and services	Centralising of functions to programme 1	1 605
Realigning of operational functions	Realigning of operational functions	-	7 Structured Agricultural Training		
			Realigning of operational functions	Realigning of operational functions	719
			Compensation of employees	For compensation of employees	-
Buildings and other fixed structures	Reduction in Capital Payment due to the re-prioritisation	(37 623)	Goods and services	Correction of Economic Classification & Up scaling Masibuyele Emasimini	37 623
	Correction of misallocation per economic classification	(65 583)		Correction of Economic Classification & Up scaling Masibuyele Emasimini	29 000
Machinery and Equipment	Correction of misallocation per economic classification	(29 000)	Household	Correction of Economic Classification	65 583
TOTAL:		(134 530)			134 530
4 Veterinary Services			1 Administration		
Goods and services	Realigning of operational functions	(2 773)	Goods and services	Centralising of functions to programme 1	1 296
			Households	For Leave graduity	922
			7 Structured Agricultural Training		
			Compensation of employees	For compensation of employees	555
TOTAL:		(2 773)	TOTAL:		2 773
Technical Research and Development			1 Administration		
Goods and services	Realigning of operational functions	(2 847)	Goods and services	Centralising of functions to programme 1	1 409
	Savings identified in terms of the cost curtailment	-	3. Farmer Support & Development		-
			Goods and services	For Operating Lease	1 438
TOTAL:		(2 847)	TOTAL:		2 847
Agriculture Economics			1 Administration		
Goods and services	Realigning of operational functions	(2 434)	Goods and services	Centralising of functions to programme 1	48
	Savings identified in terms of the cost curtailment	-	3. Farmer Support Development		
			Compensation of employees	For compensation of Employees	13
			5. Technical Research & Dev		
			Compensation of employees	For Compensation of Employees	630
			6. Agriculture Economics		
			Compensation of Employees	For Compensation of Employees	1 743
TOTAL:		(2 434)	TOTAL:		2 434
Structure Agricultural Training			1 Administration		
Goods and services	Realigning of operational functions	(2 333)	Goods & Services	Centralising of functions to programme 1	1 052
			7 Structured Agricultural Training		
			Compensation of employees	For Compensation of Employees	423
			11 Land Administration		
			Compensation of employees	For Compensation of Employees	858
TOTAL:		(2 333)	TOTAL:		2 333
Planning, Impact, Pollution & Waste Mng			Planning, Impact, Pollution & Waste Mng		
Goods & Services	Savings identified in terms of the cost curtailment	(1 057)	Compensation of Employees	For Compensation of Employees	1 057
Total		(1 057)			1 057
Land Administration			Administration		
Goods and services	Realigning of operational functions	(444)	Goods and services	Centralising of functions to programme 1	346
	Savings identified in terms of the cost curtailment to off set	-	Household	For Injury on Duty	98
TOTAL:		(444)	TOTAL:		444
TOTAL Department of Agriculture, Rural Development & Land Administration		(165 569)			165 569

Other adjustments R 57.662 million

Programme 6: Agriculture Economics

Disaster Management – R13.914 million: The funds were previously withheld in the Provincial Revenue Fund. The department has capacity to absorb the funds.

Expanded Public Works Programme incentive grant - R0.522 million: For the creation of jobs in the Comprehensive Agricultural Support Programme during 2008/09 financial year.
 Comprehensive Rural Development Programme – R 43.226 million: The allocation is in respect of the pilot project at Mkhondo Municipality in the Gert Sibande District.

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 5.5 : Expenditure Trends

	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1 Administration	84 758	41 160	49%	89 304	105%	100 637	44 353	44%
2 Sustainable Resource Management	51 428	21 474	42%	47 814	93%	36 606	17 419	48%
3 Farmer Support and Development	343 091	98 114	29%	349 778	102%	412 550	191 331	46%
4 Veterinary Services	77 114	37 043	48%	81 877	106%	80 669	37 176	46%
5 Technical Research and Development	33 032	14 685	44%	32 650	99%	34 668	14 008	40%
6 Agricultural Economics	42 362	13 247	31%	30 233	71%	71 786	26 174	36%
7 Structured Agricultural Training	38 513	16 183	42%	34 233	89%	43 031	18 983	44%
8 Planning, impact, Pollution and Waste Management	47 426	16 803	35%	46 290	98%	19 411	12 696	65%
10 Environmental Education	43 322	19 274	44%	42 168	97%	46 546	21 054	45%
11 Land Administration	16 767	8 426	50%	17 119	102%	22 736	10 301	45%
Total	777 813	286 409	37%	771 466	99%	868 640	393 495	45%
Economic classification								
Current payments	536 114	230 988	43%	532 983	99%	673 505	319 319	47%
Compensation of employees	288 387	149 624	52%	305 952	106%	335 832	163 326	49%
Goods and services	247 727	81 364	33%	226 664	91%	337 673	155 993	46%
Financial transactions in assets and liabilities				367				
Transfer payment and subsidies	124 567	44 900	36%	144 231	116%	159 744	46 181	29%
Provinces and municipalities						56 810	38 336	67%
Departmental agencies and accounts								
Public corporations and private enterprises	60 434	33 883	56%	57 008	94%			
Households	64 133	11 017	17%	87 223	136%	102 934	7 845	8%
Payments for capital assets	117 132	10 521	9%	94 252	80%	35 391	27 995	79%
Buildings and other fixed structures	22 982	898	4%	3 585	16%	14 062	20 039	143%
Machinery and equipment	93 733	9 596	10%	90 344	96%	21 208	7 927	37%
Cultivated assets	267	27	10%		0%	121	29	24%
Software and other intangible assets	150		0%	323	215%			
Land and subsoil assets								
Total payments	777 813	286 409	37%	771 466	99%	868 640	393 495	45%

Main expenditure trends for the first half of 2009/10

Total expenditure for 2008/09 was 99 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 was R393.495 million or 45 percent of the adjusted appropriation of R865.64 million for the year. In comparison, mid-year expenditure in 2008/09 was R286.409 million, or 37 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 increased by R107.086 million or 37 percent, when compared to expenditure in the first six months of 2008/09. The increase in expenditure is due to the payment of accruals.

Departmental receipts

Table 5.6: Receipts

R thousand	'2008/09					2009/10			
	Adjusted Estimate	Receipts outcome				Preliminary receipts			
		Apr '08 - Sep '08	April '08 - Sep '08 % of adjusted	Apr '08 - Mar '09	April '08 - Mar '09 % of adjusted	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
Departmental receipts	4 792	6 121	128%	10 112	211%	5 542	5 542	2 831	51%
Sales of goods and services other than transfers received	3 278	1 903	58%	4 531	138%	3 945	3 945	1 739	44%
Fines, penalties and forfeits				2 578					
Interest, dividends and rent on land	1 514	4 218	279%	2 179	144%	1 597	1 597	1 092	68%
Sales of capital assets				824					
Total	4 792	6 121	128%	10 112	211%	5 542	5 542	2 831	51%

Main departmental revenue trends for the first half of 2009/10

Departmental revenue collection in the first six months of 2009/10 was R2.831 million, or 51 percent of the revenue estimate of R5.542 million for the year as a whole. In comparison, mid-year revenue collection in 2008/09 was R 6.121 million, or 128 percent of the 2008/09 estimate. Departmental revenue collection in the first six months of 2009/10 decreased by R 3.290 million, compared to revenue collected in the first six months of 2008/09.

The decrease in revenue compared to 2008/09 is due to non auctioning of sale on livestock and decrease in spot fines.

Changes to transfers and subsidies, and conditional grants

Table 5.7: Summary of changes to transfers and subsidies per programme

R Thousand	Main Appropriation	2009/10					Adjusted appropriation	
		Additional appropriation						
		Roll-overs	Virement	Additional National Grants	Other provincial Adjustments	Total Additional appropriation		
1. Administration	3 600	-	-	1 020	-	-	1 020	4 620
Households	3 600			1 020			1 020	4 620
2. Sustainable Resource Management	23 769	-	-	(19 081)	-	-	(19 081)	4 688
Households	23 769			(19 081)			(19 081)	4 688
Name of transfer payment								
3. Farmer Support and Development	83 831			-		(3 426)	(3 426)	80 405
Public corporations and Private	56 810					(3 426)	(3 426)	53 384
Households	27 021			-			-	27 021
6. Agricultural Economics	-				522	500	1 022	1 022
Comprehensive Rural Development Programme (CRDP)					522	500	1 022	1 022
8. Planning, Impact, Pollution and Waste Management	-						-	-
Households							-	-
Subtotal	111 200	-	-	(18 061)	522	(2 926)	(20 465)	90 735

Table 5.8: Summary of changes to conditional grants

		2009/10					
		Additional appropriation					
		Roll-overs	Virement	Additional National Grants	Other provincial adjustments	Total Additional Appropriation	Adjusted appropriation
R Thousand	Main Appropriation						
2. Sustainable Resource Management	4 627			-		-	4 627
Land care	4 627			-		-	4 627
3. Farmer Support and Development	106 366	2 906	-	-	-	2 906	109 272
Comprehensive Agricultural Support Programme/Letsema Project Grant	70 892					-	70 892
Infrastructure Grant to Provinces	5 000					-	5 000
Infrastructure Grant to Provinces	30 474	2 906		-		2 906	33 380
5. Technology, Research & Development	3 667						3 667
Infrastructure Grant to Provinces	3 667					-	3 667
6. Agricultural Research	5 000	-	-	-	14 436	-	19 436
Disaster Management Fund	5 000				14 436	-	19 436
Infrastructure Grant to Provinces						-	-
7. Structured Agricultural Training	9 021						9 021
Infrastructure Grant to Provinces	9 021					-	9 021
10. Environmental Development	6 176	-	-	-	-	-	6 176
Infrastructure Grant to Provinces	6 176					-	6 176
Subtotal	134 857	2 906	-	-	14 436	-	152 199

Economic Development, Environment and Tourism

Adjusted Budget Summary

Table 6.1 Adjusted Budget Summary

		2009/10		
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	490 443	521 777	-	31 334
<i>of which:</i>				
Current payments	182 206	181 388	818	-
Transfers and subsidies	305 937	337 589	-	31 652
Payments for capital assets	2 300	2 800	-	500
Statutory Amount				
Provincial Revenue Fund	1 006	1 506		500
Executive authority	MEC for Economic Development, Environment and Tourism			
Accounting officer	Deputy Director-General of Economic Development, Environment and Tourism			

Summary of Revenue

Table 6.2 Summary of Receipts

R Thousand	2009/10 Main Appropriation	2009/10 Adjustment Appropriation					2009/10 Adjusted Budget	
		2008/09 Rollover	Unforeseeable/ Unavoidable Virement	Function shift	Additional National Grants	Other provincial Adjustments		Total Additional Appropriation
Equitable Share	467 348	1 652		1 842		27 840	31 334	498 682
Conditional grants								
Own Revenue	23 095							23 095
Total Revenue	490 443	1 652		1 842		27 840	31 334	521 777

Mission

Positioning Mpumalanga Province to be a leader in the creation of equitable economic growth, quality jobs and a sustainable environment, and to be the ultimate tourism destination

Adjusted Estimates of Provincial Expenditure 2009

Table 6.3: Adjusted Estimates

		2009/2010						
		Additional appropriation						
R Thousand	Main Appropriation	Roll-overs	Virement	Function	Additional	Other	Total	Adjusted appropriation
		Unforeseeable/Unavoidable	shifts	shifts	National Grants	Provincial Adjustments	Additional appropriation	
Administration	85 647		(10 500)			(6 001)	(16 501)	69 146
Integrated Economic Development Services	95 766		(3 500)			(935)	(4 435)	91 331
Trade and Sector Development	235 548	1 652	21 000	1 842		36 030	60 524	296 072
Business Regulation & Governance	58 281		(5 280)			(1 072)	(6 352)	51 929
Economic Planning	14 195		(2 220)			(182)	(2 402)	11 793
Subtotal	489 437	1 652	(500)	1 842	-	27 840	30 834	520 271
Statutory Amount	1 006		500				500	1 506
Total	490 443	1 652	-	1 842	-	27 840	31 334	521 777
Economic classification								
Current payments	182 206	-	(30 500)	1 842	-	27 840	(818)	181 388
Compensation of employees	93 948		(15 000)	1 842			(13 158)	80 790
Goods and services	88 258		(15 500)			27 840	12 340	100 598
Financial transactions								
Transfer payment and subsidies	305 937	1 652	30 000				31 652	337 589
Provinces and municipalities								
Departmental agencies and accounts	-	1 652	268 789				270 441	270 441
Public corporations and private enterprises	67 148							67 148
Foreign governments & international organisations								
Non-profit institutions	238 789		(238 789)				(238 789)	-
Households								
Payments for capital assets	2 300		500	-	-	-	500	2 800
Buildings and other fixed structures								
Machinery and equipment	2 300		500				500	2 800
Specialised military assets								
Total payments	490 443		-	1 842	-	27 840	31 334	521 777

Details of Adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds: R1. 652 million

Programme 3: Trade and Sector Development

The rolled over funds are for Zithabiseni Resort, for the water purification project.

Virements

Table 6.4: Details on virements per programme and economic classification

Programme					
Administration					
Intergrated Economic Development Services					
Trade and Sector Development					
Business Regulation & Governance					
Economic Planning					
From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
1. Administration			1. Administration		
Compensation of employees	Reduction on operational costs due to cost curtailment	(6 110)	Compensation of Employees	Allocation to defray the overspending	500
			3. Trade and Sector Development		
			Transfers and subsidies	The total amount will be transferred to MTPA for Provincial Marketing	5 110
			1. Administration		
			Payment of capital assets	For office equipment	500
Goods and services	Reduction in travel and subsistence, consultants and bursaries	(4 390)		The total amount will be transferred to MTPA for Provincial Marketing	4 390
TOTAL:		(10 500)			10 500
2. Intergrated Economic Development Services			2. Intergrated Economic Development Services		
Compensation of employees	Reduction due to vacant funded posts that remained unfilled	(2 140)	Compensation of employees	For shortfall on personnel costs	400
			Programme 3: Trade and Sector Development		
			Transfers and subsidies	The total amount will be transferred to MTPA for Provincial Marketing	1 740
Goods and services	Cost curtailment processes	(1 360)		The total amount will be transferred to MTPA for Provincial Marketing	1 360
TOTAL:		(3 500)	TOTAL:		3 500
3. Trade and Sector Development			3. Trade and Sector Development		
Compensation of employees	Cost curtailment process	(2 900)	Transfers and Subsidies	The total amount will be transferred to MTPA for Provincial Marketing	2 900
Goods and services	Cost curtailment process	(6 100)		The total amount will be transferred to MTPA for Provincial Marketing	6 100
TOTAL:		(9 000)			9 000
4. Business Regulation and Governance			3. Trade and Sector Development		
Compensation of employees	Cost curtailment process	(3 080)	Transfers and Subsidies	The total amount will be transferred to MTPA for Provincial Marketing	5 280
Goods and services	Cost curtailment process	(2 200)			
TOTAL:		(5 280)	TOTAL:		5 280
Economic Planning			3. Trade and Sector Development		
Compensation of employees	Cost curtailment process	(1 070)	Total Transfers and Subsidies	The total amount will be transferred to MTPA for Provincial Marketing	2 220
Goods and services	Cost curtailment process	(1 150)			
TOTAL:		(2 220)	TOTAL:		2 220
Total for vote:		(30 500)			30 500

Other adjustments R57.840 million

Self financing expenditure

Programme 2: Integrated Development Services

R0.500 million for Comprehensive Rural Development Programme

Programme 3: Trade and Sector Development

R41.859 million for Maputo Development Corridor (flagship)

R15.481 million for Heritage, Greening and Tourism (flagship)

Funds shifted within votes

Programme 3: Trade and Sector Development

R1.842 million for compensation of employees to fund the function shift from the Office of the Premier

Declared savings

Programme 1: Administration

Saving of R6.001 million has been declared.

Programme 2: Integrated Development Services

Saving of R1.435 million has been declared.

Programme 3: Trade and Sector

Saving of R21.310 million has been declared.

Programme 4: Business Regulation

Saving of R1.072 million has been declared.

Programme 5: Economic Planning

Saving of R0.182 million has been declared.

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 6.5 : Expenditure Trends

	2008/9				2009/10			
	Expenditure outcome				Preliminary expenditure			
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	65 234	26 549	41%	66 001	101%	69 146	40 195	58%
2. Intergrated Economic Development	89 392	41 162	46%	84 393	94%	91 331	50 804	56%
3. Trade and Industry Development	229 538	101 547	44%	225 961	98%	296 072	140 484	47%
4. Business Regulation	43 129	21 083	49%	42 441	98%	51 929	24 785	48%
5. Economic Planning	13 416	3 573	27%	11 322	84%	11 793	4 886	41%
Subtotal	440 709	193 914	44%	430 118	98%	520 271	261 154	50%
Statutory Amount	945					1 506		
Total	441 654	193 914	44%	430 118	98%	521 777	261 154	50%
Economic classification								
Current payments	136 157	52 809	39%	128 183	94%	181 388	74 401	41%
Compesation of employees	69 369	27 132	39%	62 338	90%	80 790	37 739	47%
Goods and services	66 788	25 677	38%	65 845	99%	100 598	36 662	36%
Financial transactions in assets and liabilities								
Transfer payment and subsidies	300 372	140 348	47%	298 720	99%	337 589	185 359	55%
Provinces and municipalities								
Departmental agencies and accounts						270 441	146 363	54%
Public corporations and private enterprises	63 950	32 000	50%	63 950	100%	67 148	38 320	57%
Foreign governments & international orgar								
Non-profit institutions	236 422	108 320	46%	234 517	99%			
Households		28		253			676	
Payments for capital assets	5 125	757	15%	3 215	63%	2 800	1 394	50%
Buildings and other fixed structures								
Machinery and equipment	5 125	757	15%	3 215	63%	2 800	1 394	50%
Land and subsoil assets								
Total payments	441 654	193 914	44%	430 118	97%	521 777	261 154	50%

Selected expenditure trends for the first half of 2009/10

Total expenditure for 2008/09 financial year was at 97 percent of the adjusted appropriation. In comparison to the six months expenditure, spending for 2009/10 financial year increased by R67.240 million compared to the same period in 2008/09 financial year as a result of the clearing of accruals, improvement in payment within 30 days norm, purchase of furniture for the Executive Authority as well as VIP vehicle, payment of leave gratuities for out going Executive Authority.

Departmental receipts

Table 6.6: Receipts

	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome				Preliminary receipts			
		Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts	918	1 747	190%	2 693	293%	2 541	2 541	566	22%
Sales of goods and services other than capital assets									
Interest, dividends and rent on land	832	1 515	182%	2 423	291%	2 440	2 440	512	21%
Sales of capital assets		132		144		92	92	12	13%
Financial transactions in assets and liabilities	86	87	101%	95	110%	9	9	33	367%
Trading licences		13		31				7	
Extraordinary receipts	33 762	22 857	68%	40 728	121%	51 065	51 065	21 843	43%
Casino taxes	27 988	18 332	65%	35 702	128%	44 586	44 586	18 244	41%
Horse racing taxes	4 000	2 239	56%	4 371	109%	4 725	4 725	2 036	43%
Liquor licences	1 556	2 269	146%	613	39%	1 711	1 711	1 542	90%
Tourist Guide	180	-	0%	4	2%			-	
Commission of insurance	38	17	45%	38	100%	43	43	21	49%
Total	34 680	24 604	71%	43 421	125%	53 606	53 606	22 409	42%

Main departmental revenue trends to the first half of 2009/10

The current total revenue collection when compared to the 2008/09 financial year revenue collection has decreased due to the current economic meltdown in particular to the horse racing and casino taxes.

Changes to transfers and subsidies, and conditional grants

Table 6.7: Summary of changes to transfers and subsidies per programme

	Main Appropriation	2009/10					Adjusted appropriation
		Additional appropriation					
		Roll-overs	Unforeseeable/ Unavoidable	Virement	Additional National Grants	Other provincial Adjustments	
2. Intergrated Economic Development	67 148						67 148
Public corporations and private enterprises	67 148						
3. Trade and Sector Development	203 954	1 652		30 000		31 652	235 606
Departmental agencies and accounts		1 652		268 789		270 441	
Non profit institutions	203 954			(203 954)		(203 954)	
4. Business Regulation	34 835						34 835
Departmental agencies and accounts				34 835			
Non profit institutions	34 835			(34 835)		(34 835)	
Subtotal	305 937	1 652		30 000		31 652	337 589

Education

Adjusted Budget Summary

Table : 7.1 Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	10 073 199	10 683 793	-	610 594
<i>of which:</i>			-	-
Current payments	9 193 562	9 638 169	-	444 607
Transfers and subsidies	464 577	634 096	-	169 519
Payments for capital assets	415 060	411 528	(3 532)	-
Statutory Amount	1 407	1 407		
Provincial Revenue Fund				
Executive authority	MEC for Education			
Accounting officer	Superintendent-General of Education			

Summary of Revenue

Table 7.2: Summary of Receipts

R Thousand	2009/10 Adjustment Appropriation								2009/10 Adjusted Budget
	2009/10 Main Appropriation	2008/09 Rollover	Unforeseeable/Unavoidable	Virement	Function Shifts	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation	
Equitable Share	9 484 731	-	139 000	-	10 921	-	423 181	573 102	10 057 833
Conditional grants	490 750	37 492	-	-	-	-	-	37 492	528 242
Own Revenue	97 718	-	-	-	-	-	-	-	97 718
Total Revenue	10 073 199	37 492	139 000	-	10 921	-	423 181	610 594	10 683 793

Mission

The Mpumalanga Department of Education is committed to render quality education for all, through effective teaching and learning, skills development, involvement of stakeholders and maximum utilisation of resources for socio-economic enhancement of all citizens.

Adjusted Estimates of Provincial Expenditure 2009

Table 7.3: Programme Summary

R Thousand	Main Appropriation	Additional appropriation						Total Additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments		
Administration	981 489	-	-	(51 886)	10 921	-	29 400	(11 565)	969 924
Public Ordinary School Education	8,405,087	37 136	138 400	32 374	-	-	378 481	586 391	8 991 478
Independent School Subsidies	11 275	-	-	-	-	-	-	-	11 275
Public Special School Education	160 262	-	-	(5 000)	-	-	6 000	1 000	161 262
Further Education and Training	222 634	-	-	-	-	-	5 900	5 900	228 534
Adult Basic Education and Training	90 451	-	-	5 886	-	-	2 400	8 286	98 737
Early Childhood Development	96 922	-	-	-	-	-	1 000	1 000	97 922
Auxiliary and Associated Services	105,079	356	600	18,626	-	-	-	19 582	124 661
Total	10 073 199	37 492	139 000	-	10 921	-	423 181	610 594	10 683 793

Table 7.3: Programme Summary		2009/10							
R Thousand	Main Appropriation	Additional appropriation					Total Additional appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants			Other Provincial Adjustments
Economic classification									
Current payments	9 193 562	37 492	139 000	(164 767)	10 921	-	421 961	444 607	9 638 169
Compensation of employees	7 948 599	-	-	(113 992)	921	-	421 961	308 890	8 257 489
Goods and services	1 244 963	37 492	139 000	(50 775)	10 000	-	-	135 717	1 380 680
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfer payment and subsidies	464 577	-	-	169 519	-	-	-	169 519	634 096
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	4 300	-	-	-	-	-	-	-	4 300
Non-profit institutions	439 275	-	-	169 292	-	-	-	169 292	608 567
Households	21 002	-	-	227	-	-	-	227	21 229
Payments for capital assets	415 060	-	-	(4 752)	-	-	1 220	(3 532)	411 528
Buildings and other fixed structures	378 105	-	-	-	-	-	1 220	1 220	379 325
Machinery and equipment	36 955	-	-	(4 752)	-	-	-	(4 752)	32 203
Specialised military assets	-	-	-	-	-	-	-	-	-
Total payments	10 073 199	37 492	139 000	-	10 921	-	423 181	610 594	10 683 793

Details of Adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds

An additional amount of R37.492 million has been rolled over for committed unspent funds for conditional grants that could not be paid in 2008/09. The amounts committed were for the following grants:

National School Nutrition Programme: R22.949 million or 13.7 percent of the total allocation for this grant

HIV/AIDS: R356 thousand or 2.4 percent of the total allocation for this grant and

Infrastructure Development: R14.187 million or 5.1 percent of the total allocation of the grant.

Unforeseeable and unavoidable expenditure

An additional R139 million has been given for the payment of learner teacher support material, scholar transport and additional costs for the re-printing of five examination papers.

The R139 million has been allocated to the following programmes:

R138.4 million to Programme 2: Public Ordinary Schools under goods and services for learner teacher support material and scholar transport.

R600 thousand to Programme 8: Auxiliary and Associated Services under goods and services for the re-printing of five examination papers.

Other Provincial Adjustments

An additional R233.93 million for the cost of living adjustment which was higher than what the main budget provided for and R247.932 million for the implementation of phase two of OSD for educators as from 1st of July 2009 has been allocated to the department. An additional amount of R1.22 million has also been added for the rural development programme. The allocation between programmes is as follows:

Programme 1: Administration.

R29.4 million for the cost of living adjustment which was higher than what the main budget provided for (R15.897 million) and for the implementation of phase two of OSD for educators in offices (R13.503 million) as from 1st of July 2009.

Programme 2: Public Ordinary Schools.

R438.382 million for the cost of living adjustment which was higher than what the main budget provided for (R208.654 million) and for the implementation of phase two of OSD for educators (R 228.508 million) as from 1st of July 2009. An additional amount of R1.22 million has also been added for the rural development programme.

Programme 4: Public Special School Education.

R6 million for the cost of living adjustment which was higher than what the main budget provided for (R3.53 million) and for the implementation of phase two of OSD for educators (R2.47 million) as from 1st of July 2009.

Programme 5: FET Colleges.

R5.9 million for the cost of living adjustment which was higher than what the main budget provided for (R3.302 million) and the implementation of phase two of OSD and a 4 percent once-off bonus to educators (R2.598 million).

Programme 6: ABET.

R2.4 million for the cost of living adjustment which was higher than what the main budget provided for (R2.155 million) and for the implementation of phase two of OSD for educators (R245 thousand) as from 1st of July 2009.

Programme 7: ECD.

R1 million for the cost of living adjustment which was higher than what the main budget provided for (R392 thousand) and for the implementation of phase two of OSD for educators (R608 thousand) as from 1st of July 2009.

Surrenders

R59.901 million was deducted from the equitable share, compensation of personnel under programme 2 due to the conditional grants that could not be surrendered due to overspending of the Vote in 2008/09.

Function Shifts

An amount of R10.921 million has been additionally allocated to this department for the accelerated capacity building programme that was previously administered by the Office of the Premier.

Virements

Table 7.4: Details on virements per programme and economic classification					
Programmes					
Administration Public Ordinary School Education Independent School Subsidies Public Special School Education Further Education and Training Adult Basic Education and Training Early Childhood Development Auxilliary and Associated Services					
From			To		
Programme / Economic classification	Motivation	R thousand	Programme / Economic classification	Motivation	R thousand
1. Administration		(51 886)	2. Public Ordinary School education		42 000
Compensation of employees	R51.886 million allocated to programmes 2,6 and 8 compensation of employees due to reductions in the filling of posts. The amount viremented from this programme represents 3.2% of the total budget for this programme.	(51 886)	Compensation of employees	R42 million was shifted to this programme for compensation of employees to make provision for 2008/09 OSD payments	42 000
			6. Adult Basic Education and		5 886
			Compensation of employees	R5.886 million was moved to this programme for compensation of employees to make provision for 2008/09 OSD payments	5 886
			8. Auxilliary and Assocoted Services		4 000
			Compensation of employees	R4 million was moved to this programme for compensation of employees to make provision for 2008/09 OSD payments	4 000
1.Administration		(1 910)	1. Administration		1 910
Goods and Services	R1.91 million was shifted to machinery and equipment due to a reduction on the purchase of goods and services	(1 910)	Machinery and Equipment	R1.91 million was shifted to machinery and equipment due to a reduction on the purchase of goods and services	1 910
1.Administration		(320)	1. Administration		320
Goods and Services	R320 thousand was shifted to transfer payments due to a reduction on the purchase of goods and services	(320)	Transfer Payments	R320 thousand was shifted to transfer payments due to a reduction on the purchase of goods and services	320
1.Administration		(93)	1.Administration		93
Transfer Payments	R93 thousand was shifted to machinery and equipment due to a reduction on the payment of transfer payments	(93)	Machinery and Equipment	R93 thousand was shifted to machinery and equipment due to a reduction on the payment of transfer payments	93
1.Administration		(10 000)	1.Administration		10 000
Machinery and equipment	R10 million was shifted to goods and services due to a reduction on the payment of machinery and equipment	(10 000)	Goods and services	R10 million was shifted to goods and services due to a reduction on the payment of machinery and equipment	10 000
2. Public Ordinary School education		(14 626)	2. Public Ordinary School education		14 626
Goods and services	R14.626 million was moved to programme 8 goods and services HIV/AIDS. This amount represents 0.2% of the total budget for this programme.	(14 626)	Goods and services	R14.626 million was moved from programme 2 goods and services for HIV/AIDS activities. This shift is due to the reporting structure that the National department is following.	14 626

From			To		
Programme / Economic classification	Motivation	R thousand	Programme / Economic classification	Motivation	R thousand
2. Public Ordinary School education		(60 000)	8. Auxilliary and Associated Services		60 000
Goods and Services	R60 million was shifted to transfer payments due to a reduction on the purchase of goods and services	(60 000)	Transfer Payments	R60 million was shifted to transfer payments due to a reduction on the purchase of goods and services	60 000
4. Public Special School Education		(2 000)	2. Public Ordinary School education		2 000
Goods and services	R2 million tranfered to purchase learner support material for main stream learners with speacial education needs.This amount represents 1.2% of the total budget for this programme	(2 000)	Goods and services	R2 million tranfered to purchase learner support material for main stream learners with speacial education needs.	2 000
4. Public Special School Education		(3 000)	2. Public Ordinary School education		3 000
Goods and services	R3 million shifted to programme 2 to purchase machenery and equipment due to the reduction of goods and services	(3 000)	Machinery and Equipment	R3 million shifted to purchase assistive devices for main stream learners with speacial education needs.	3 000
5. Further Education and Trianing colleges		(113 992)	5. Further Education and Trianing colleges		113 992
Compensation of employees	R113.992 million was shifted to transfer payments due to a reduction on the payment of salaries	(113 992)	Transfer Payments	R113.992 million was shifted to transfer payments due to a reduction on the payment of salaries	113 992
6. Adult Basic Education and Training		(245)	6. Adult Basic Education and Training		245
Transfer Payments	R245 thousand was shifted to payment of capital assets due to a reduction on transfer payments	(245)	Payment of Capital Assets	R245 thousand was shifted to payment of capital assets due to a reduction on transfer payments	245
6. Adult Basic Education and Training		(2 455)	6. Adult Basic Education and Training		2 455
Transfer Payments	R2.455 million was shifted to goods and services due to a reduction on transfer payments	(2 455)	Goods and services	R2.455 million was shifted to goods and services due to a reduction on transfer payments	2 455
7. Early Childhood development		(2 000)	7. Early Childhood development		2 000
Transfer Payments	R2 million was shifted to goods and services due to a reduction on transfer payments	(2 000)	Goods and services	R2 million was shifted to goods and services due to a reduction on transfer payments	2 000
Total for Vote: 07		(262 527)			262 527

Other adjustments

Funds shifted within programmes

Programme 1: Administration

R2 million from management services was used to curb over expenditure within the Office of the MEC – goods and services.

R2 million from education management information service (EMIS) was used to curb over expenditure within corporate services – goods and services.

R50.146 million from management services was used to curb over expenditure within corporate services – compensation of employees.

R1.903 million from management services was used to curb over expenditure within corporate services – goods and services.

Programme 2: Public Ordinary Schools

R6.2 million from in school sport and culture was used to curb over expenditure within public primary schools - goods and services.

Expenditure trends for 2008/09 and preliminary expenditure for 2009/10

Table 7.5 : Expenditure Trends

	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	1 043 868	451 193	43%	889 014	85%	969 924	476 754	49%
2. Public Ordinary Schools Education	7 615 918	4 021 362	53%	7 849 008	103%	8 991 478	4 415 856	49%
3. Independent Schools Subsidies	12 500	7 828	63%	11 136	89%	11 275	7 175	64%
4. Public Special School Education	158 051	63 818	40%	130 042	82%	161 262	73 798	46%
5. Further Education and Training	215 940	125 140	58%	205 757	95%	228 534	91 906	40%
6. Adult Basic Education and Training	100 598	38 769	39%	69 798	69%	98 737	49 643	50%
7. Early Childhood Development	91 551	35 889	39%	63 096	69%	97 922	36 397	37%
8. Auxilliary and Associated Services	118 632	47 014	40%	143 128	121%	124 661	36 801	30%
Total	9 357 058	4 791 013	51%	9 360 979	100%	10 683 793	5 188 330	49%
Economic classification								
Current payments	8 498 950	4 288 564	50%	8 604 333	101%	9 638 169	4 585 742	48%
Compensation of employees	6 950 947	3 606 931	52%	7 364 952	106%	8 257 489	3 734 486	45%
Goods and services	1 548 003	681 633	44%	1 239 381	80%	1 380 680	851 256	62%
Financial transactions in assets and								
Transfer payment and subsidies	400 386	273 533	68%	366 626	92%	634 096	456 948	72%
Provinces and municipalities								
Departmental agencies and accounts	3 991	3 991	100%	3 991	100%	4 300	4 300	100%
Non-profit institutions	366 682	258 552	71%	341 619	93%	608 567	438 115	72%
Households	29 713	10 990	37%	21 016	71%	21 229	14 533	68%
Payments for capital assets	457 722	228 916	50%	390 020	85%	411 528	145 640	35%
Buildings and other fixed structures	409 718	217 576	53%	347 302	85%	379 325	131 906	35%
Machinery and equipment	48 004	11 340	24%	40 803	85%	32 203	13 734	43%
Software and other intangible assets				1 915				
Land and subsoil assets								
Total payments	9 357 058	4 791 013	51%	9 360 979	100%	10 683 793	5 188 330	49%

Selected expenditure trends for the first half of 2009/10

The total expenditure for 2008/09 was 100.04 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 was R5.188 billion, or 49 percent of the adjusted appropriation of R10.581 billion for the year as a whole. In comparison, mid-year expenditure in 2008/09 was R4.791 billion, or 51 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 increased by R 397 million or 7.6 percent, compared to expenditure in the first six months of 2008/09. The main expenditure increase compared to 2008/09 is due to the payment of accruals.

Departmental receipts

Table 7.6: Receipts

	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome				Preliminary receipts			
		Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts	20 653	18 306	89%	30 404	147%	21 626	21 626	13 416	62%
Sales of goods and services other than capital assets	8 935	5 035	56%	10 313	115%	9 385	9 385	5 350	57%
Fines, penalties and forfeits	-	-				-	-	3	
Interest, dividends and rent on land	8 940	7 718	86%	11 175	125%	9 380	9 380	2 036	22%
Sales of capital assets	-	-		469		-	-	161	
Financial transactions in assets and liabilities	2 778	5 553	200%	8 447	304%	2 861	2 861	5 866	205%
Commission of insurance	-	-		-		-	-	-	
TOTAL	20 653	18 306	89%	30 404	147%	21 626	21 626	13 416	62%

Selected expenditure trends for the first half of 2009/10

The total revenue collected for 2008/09 was 147 percent of the 2008/09 adjusted estimates. Revenue collected in the first six months of 2009/10 was R13.416 million, or 62 percent of the adjusted estimates of R21.626 million for the year as a whole. In comparison, mid-year revenue collected in 2008/09 was R18.306 million, or 89 percent of the 2008/09 adjusted estimates. Revenue collected in the first six months of 2009/10 decreased by R 4.89 million or 36.4 percent, compared to the revenue collected in the first six months of 2008/09. The decrease is on the interest received. The department is no longer accumulating interest as the transfer of funds is made by the Provincial Treasury; the funds are immediately spent by the department.

Changes to transfers and subsidies, and conditional grant

Table 7.7: Summary of changes to transfers and subsidies per programme

		2009/10					
		Additional appropriation					Adjusted appropriation
		Roll-overs	Virement	Additional	Other	Total	
Main		Unforeseeable/ Unavoidable		National Grants	provincial adjustments	Additional appropriation	
R Thousand	Appropriation						
1.Administration	3 120	-	-	227	-	227	3 347
Household	3 120	-	-	227	-	227	3 347
2..Public Ordinary School Education	261 611	-	-	60 000	-	60 000	321 611
Non profit institutions	246 605	-	-	60 000	-	60 000	306 605
Household	15 006	-	-	-	-	-	15 006
3.Independent School Subsidies	11 275	-	-	-	-	-	11 275
Non profit institutions	11 275	-	-	-	-	-	11 275
4.Public Special School Education	28 856	-	-	-	-	-	28 856
Non profit institutions	28 510	-	-	-	-	-	28 510
Household	346	-	-	-	-	-	346
5..Further Education and Training	93 337	-	-	113 992	-	113 992	207 329
Non profit institutions	90 885	-	-	113 992	-	113 992	204 877
Household	2 452	-	-	-	-	-	2 452
6.Adult Basic Education and Training	3 070	-	-	(2 700)	-	(2 700)	370
Non profit institutions	3 000	-	-	(2 700)	-	(2 700)	300
Household	70	-	-	-	-	-	70
7.Early Childhood Development	59 000	-	-	(2 000)	-	(2 000)	57 000
Non profit institutions	59 000	-	-	(2 000)	-	(2 000)	57 000
8.Auxilliary and Associated Services	4 308	-	-	-	-	-	4 308
Departmental agencies and accounts	4 300	-	-	-	-	-	4 300
Household	8	-	-	-	-	-	8
Subtotal	464 577	-	-	169 519	-	169 519	634 096

Table 7.8: Summary of changes to conditional grants

		2009/10					
		Additional appropriation					Adjusted appropriation
		Roll-overs	Virement	Additional	Other	Total	
Main		Unforeseeable/Un avoidable		National Grants	provincial Adjustments	Additional appropriation	
R Thousand	Appropriation						
2. Public Ordinary School Education	490 750	37 136	-	(14 626)	-	22 510	513 260
School Nutrition Grant	229 534	22 949	-	-	-	22 949	252 483
Infrastructure	246 590	14 187	-	-	-	14 187	260 777
HIV/AIDS	14 626	-	-	(14 626)	-	(14 626)	-
8. Auxilliary and Associated Services	-	356	-	14 626	-	14 982	14 982
HIV/AIDS	-	356	-	14 626	-	14 982	14 982
Subtotal	490 750	37 492	-	-	-	37 492	528 242

Public Works, Roads and Transport

Adjusted Budget Summary

Table : 8.1 Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	476 899	2 627 611		2 150 712
<i>of which:</i>				
Current payments	419 321	1 511 102		1 091 781
Transfers and subsidies	47 394	442 771		395 377
Payments for capital assets	8 724	673 738		665 014
Statutory Amount	1 460	829	-	-
Provincial Revenue Fund				
Executive authority	MEC for Public Works, Roads and Transport			
Accounting officer	Acting Head: Department of Public Works, Roads and Transport			

Summary of Revenue

Table 8.2 Summary of Receipts

R Thousand	2009/10 Adjustment Appropriation							2009/10 Adjusted Budget
	2009/10 Main Appropriation	2008/09 Rollover	Function Shift Virement	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation		
	Equitable Share	427 471	8 755	1 158 892		39 392	1 207 039	
Conditional grants	45 387	7 552	735 293	12 445	(522)	754 768	800 155	
Own Revenue	4 041		188 905			188 905	192 946	
Total Revenue	476 899	16 307	2 083 090	-	12 445	38 870	2 150 712	2 627 611

Mission

To provide an integrated transport system and infrastructure that promotes socio-economic development

Changes to programme purposes, objectives and measures

The Department of Public Works and the Department of Roads and Transport have been merged to one department i.e. the Department of Public Works Roads and Transport as proclaimed. The former Department of Roads and Transport has been merged to vote 8: former Department of Public Works.

Adjusted Estimates of Provincial Expenditure 2009

Table 8.3: Adjusted Estimates		2009/10								
R Thousand	Main Appropriation	Additional appropriation						Total	Adjusted appropriation	
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments			
1.Administration	68 411			820	262 183			-	263 003	331 414
2.Public Works	377 365	16 307		(433)	-	12 445	18 600		46 919	424 284
3. Roads Infrastructure				-	1 067 216		5 000		1 072 216	1 072 216
4. Public Transport				-	513 368		34		513 402	513 402
5. Traffic Management					240 323				240 323	240 323
6.Expanded Public Works Programme	29 663			(387)	-		15 236		14 849	44 512
Subtotal	475 439	16 307		-	2 083 090	12 445	38 870		2 150 712	2 626 151
Statutory Amount	1 460								-	1 460
Provincial Revenue Fund										
	1 460									1 460
Total	476 899			-	2 083 090	12 445	38 870		2 150 712	2 627 611
Economic classification										
Current payments	420 781	-	-	(5 358)	1 061 287	-	34 392		1 090 321	1 511 102
Compensation of employees	234 800			-	568 428		8 700		577 128	811 928
Goods and services	185 981			(5 358)	492 859		25 692		513 193	699 174
Financial transactions in assets and liabilities										
Transfer payment and subsidies	47 394	7 552	-	40	375 862	12 445	(522)		395 377	442 771
Provinces and municipalities	45 387	7 552		40		12 445	(522)		19 515	64 902
Public corporations and private enterprises	-				370 650				370 650	370 650
Non-profit institutions	-			135					135	135
Households	2 007			(135)	5 212				5 077	7 084
Payments for capital assets	8 724	8 755	-	5 318	645 941	-	5 000		665 014	673 738
Buildings and other fixed structures	5 200	-		3 898	614 102		5 000		623 000	628 200
Machinery and equipment	3 524	-		1 420	31 839				33 259	36 783
Land and subsoil assets	-	8 755							8 755	8 755
Specialised military assets										
Total payments	476 899	16 307	-	-	2 083 090	12 445	38 870		2 150 712	2 627 611

Details of Adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds R16.307 million

Programme 2: Public Works

R8.755 million roll-over for the acquisition of land.

R7.552 Conditional Grant for payments of property rates and taxes as surrendered in the previous financial year.

Virements

Table 8.4: Details on virements per programme and economic classification

Programme					
1. Administration					
2. Public Works					
3. Roads Infrastructure					
4. Public Transport					
5. Traffic Management					
6. Expanded Public Works Programme					
From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
1. Administration			1. Administration		
Goods and services	To settle cases and claims against state	(40)	Total Transfers and Subsidies	PD claims against state	40
	To purchase Computer hardware and systems	(91)	Buildings and other fixed structures		
			Machinery and Equipment	To purchase computer hardware and systems	91
2. Public Works			Goods and services	To provide for the centralisation of inventory from programme 2 Public Works	433
Goods and services	To provide for the centralisation of inventory to Programme 1	(433)			
6. Expanded Public Works				To provide for the centralisation of inventory from programme 6 EPWP	387
Goods and services	To provide for the centralisation of inventory to Programme 1	(387)			
TOTAL:		(951)			951
2. Public Works			2. Public Works		
Goods and services	Purchase of computer hardware and systems	(302)	Machinery and Equipment	Purchase of computer hardware and systems	302
	Installation of escalators at Gert Sibande Region	(1 000)		Escalators and Elevators at Gert Sibande Region	1 000
	Upgrading of security checkpoint at Nkangala region	(3 898)	Buildings and other fixed structures	Provision for the upgrade of the security check point at Nkangala Region	3 898
Non-profit institutions			Non-profit institutions	Provision made available to settle outstanding claims on behalf of the Manzini Trust for the EPWP Project	135
Households	To settle outstanding claims on behalf of the Manzini Trust EPWP project	(135)	Households		
TOTAL:		(5 335)	TOTAL:		5 335
6. Expanded Public Works			6. Expanded Public Works		
	Purchase of computer hardware and systems	(27)			
Machinery and Equipment			Machinery and Equipment	Purchase of computer hardware and systems	27
Total payments for capital assets			Total payments for capital assets		
TOTAL:		(27)			27

Shifting of Functions to other Departments

Programme 1: Administration

The former Department of Public Works has shifted the budget for the office of the former Executing Authority to the Department of Human Settlement with a budget of R5.223 million

Other adjustments R51.837 million

Programme 2: Public Works

R7.700 million to cater for the shortfall in wage increase (ICS). R10.900 million for the purchase of wood and coal used to produce steam in hospitals. The department further received an additional allocation of R12.445 million on conditional grant to top up the Devolution of property rates and taxes.

Programme 3: Road infrastructure

The programme received additional R5 million for the Comprehensive Rural Development Programme in Mkhondo Municipality. The funds will be utilised for the upgrading and construction of bridges and access routes, development and prevention of soil erosion and upgrades of storm water control.

Programme 4: Public Transport

R0.034 million allocation for the Scholar Transport's Shovakalula programme

Programme 6: Expanded Public Works Programme

R14.758 million shortfall on National Youth Services programmes (NYS). The programme has received R1 million out of the total R8.700 million wage increase allocation to defray its shortfall on compensation of employees.

The department is also required to transfer R0.522 million out of the R5.047 million EPWP incentive grant to the Department of Agriculture, Rural Development and Land Administration for their contribution during 2008/09 financial year on the creation of jobs in the Comprehensive Agricultural Support Programme (CASP).

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 8.5 : Expenditure Trends

	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	290 718	153 700	53%	298 231	103%	331 414	153 814	46%
2. Public Works	385 323	158 153	41%	369 703	96%	424 284	205 555	48%
3. Roads Infrastructure	1 124 033	562 729	50%	1 123 984	100%	1 072 216	461 849	43%
4. Public Transport	109 934	44 387	40%	109 930	100%	513 402	253 332	49%
5. Traffic Management	236 195	97 253	41%	236 190	100%	240 323	112 426	47%
6. Expanded Public Works Programme	51 945	11 270	22%	38 541	74%	44 512	28 843	65%
Subtotal	2 198 148	1 027 492	47%	2 176 579	99%	2 626 151	1 215 819	46%
Statutory Amount								
Provincial Revenue Fund						2 289		
Total	2 198 148	1 027 492	47%	2 176 579	99%	2 627 611	1 215 819	46%
Economic classification								
Current payments	1 267 649	626 107	49%	1 298 621	102%	1 511 102	900 042	60%
Compensation of employees	662 841	335 903	51%	692 662		811 928	380 369	47%
Goods and services	604 808	290 204	48%	605 460		699 174	519 370	74%
Interest and rent on land								
Financial transactions in assets and liabilities				499			303	
Transfer payment and subsidies	42 182	2 838	7%	33 825	80%	442 771	11 311	3%
Provinces and municipalities	36 173	3	0%	28 449		64 902	8 403	13%
Universities and technikons		10				-		
Public corporations and private enterprises						370 650	-	
Non-profit institutions	40			5		135		
Households	5 969	2 825		5 371		7 084	2 908	41%
Payments for capital assets	888 317	398 547	45%	844 133	95%	673 738	304 466	45%
Buildings and other fixed structures	758 098	375 274	50%	754 575		628 200	278 168	44%
Machinery and equipment	115 204	23 273	20%	89 558		36 783	17 543	48%
Software and other intangible assets	15							
Land and subsoil assets	15 000					8 755	8 755	100%
Total payments	2 198 148	1 027 492	47%	2 176 579	99%	2 627 611	1 215 819	46%

Selected expenditure trends for the first half of 2009/10

The department continues to deliver on its core mandate despite the challenges of the merger of the former two departments. Programme 1: Administration as combined is at 46 percent. Programme 2: Public Works is at 48 percent. The remaining challenge on the programme is contractual obligations including security fees and has been registered as budget pressure.

Programme 3: Road infrastructure is at 43 percent. The department has contributed R50 million towards addressing the Department of Education budget shortfall. An additional R5 million has been allocated to this programme for the Comprehensive Rural Development programme. 49 percent is spent by programme 4: Public Transport. Programme 5: Traffic management is at 47 percent. The programme received additional budget in a form of a virement from programme 3 to increase the overtime budget for traffic control.

Programme 6: Expanded Public Works Programme is at 65 percent with additional R14 758 million National Youth Service allocation. The programme has further received R1 million out of the total R8.7 million wage increase allocation in order to deal with shortfall on compensation of employees.

Departmental receipts

Table 8.6: Receipts

	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome				Preliminary receipts			
		Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts	45 013	30 069	12	51 794	65	39 270	49 619	26 807	54%
Sales of goods and services other than capital assets	18 527	3 147	17%	5 590	30%	5 801	8 965	3 991	45%
Transfers received									
Fines, penalties and forfeits	19 525	12 948	66%			21 378	26 661	15 973	60%
Interest, dividends and rent on land	4 961	5 112	103%	28 186	568%	8 941	8 076	3 639	45%
Sales of capital assets	1 800	7 625	424%	7 101	395%	3 000	4 160	2 660	64%
Financial transactions in assets and liabilities	200	1 237	619%	10 917	5459%	150	1 757	544	31%
Extraordinary receipts	179 981	116 172	65%	237 244	132%	248 396	253 214	131 413	52%
Motor vehicle licences	179 981	116 172	65%	237 244	132%	248 396	253 214	131 413	52%
Total	224 994	146 241	65%	289 038	128%	287 666	302 833	158 220	52%

Selected revenue trends for the first half of 2009/10

The Department over collected its own revenue by 28 eight percent above the adjusted budget of R220.162 million during the 2008/09 financial year. The increase was mainly due to the increase in vehicle population, which eventually increased the payment of motor vehicle licences. The second major increase was the increase in the interest earned, as a result of slow spending on the public transport programme.

The Department has collected an amount of R155 095 million during the past two quarters, which represent 52 percent of the total budget for the 2009/10 financial year. The Department is however projecting to collect an amount of R297.051 million during the current year. This amount represents an increase of R13.140 million or 5 percent increase from the initial budget of R283.911 million. The increase is mainly on the sales of goods and services, fines, penalties and forfeits and motor vehicle licences.

Changes to transfers and subsidies, and conditional grants

Table 8.7: Summary of changes to transfers and subsidies per programme

		2009/10						
		Additional appropriation						
R Thousand	Main Appropriation	Roll-overs	Function Shift	Virement	Additional National Grants	Other provincial Adjustments	Total Additional appropriation	Adjusted appropriation
1.Administration								
	Households	53	(20)	40			20	73
2..Public Works								
	Provinces and Municipalities	40 340	7 552			12 445	19 997	60 337
	Non Profit Institutions			135			135	135
	Households	1 954		(135)			(135)	1 819
4.Public and Friegnt Transport								
	Public Corporation and Private enterprises					370 650	370 650	370 650
6. Expanded Public Works Programme								
	Provinces and Municipalities	5 047				(522)	(522)	4 525
Subtotal		47 394	7 552	(20)	40	-	382 573	437 539

The department received a roll-over of R7.552 million for the Devolution of Property rates and taxes as surrendered in the previous financial year. The grant further received R12.445 million as additional allocation.

The Bus Subsidy grant of R370.650 million was previously erroneously classified under goods and services and has been adjusted accordingly as it is reflected on the other adjustment column.

The Expanded Public Works Incentive Grant has been reduced by R0.522 million being the share of the Department of Agriculture, Rural Development and Land Administration for their contribution in creation of jobs in CASP programme in 2008/09 financial year.

Other changes are the Virements of R0.040 million from goods and services to settle gratuities in programme 1 and R135 thousands in programme 2 from households to other non profit institutions to settle outstanding claims of the Old EPWP Manzini project.

Table 8.8: Summary of changes to conditional grants

		2009/10						
		Additional appropriation						
R Thousand	Main Appropriation	Roll-overs	Unforeseeable/Unavoidable	Virement	Additional National Grants	Other provincial Adjustments	Total Additional appropriation	Adjusted appropriation
2. Public Works								
	Devolution of Property Rates and Taxes	40 340	7 552	-	-	12 445	-	60 337
3. Roads Infrastructure								
	Infrastructure Grants to Provinces			-	-	-	343 984	343 984
4. Public and Freight Transport								
	Infrastructure Grant Provinces					370 650	370 650	370 650
5.Traffic Management								
	Overloading					17 000	17 000	17 000
						3 659	3 659	3 659
6. Expanded Public Works Programme								
	EPWP Incentive Grant	5 047	-	-	-	(522)	(522)	4 525
Subtotal		45 387	7 552	-	-	12 445	734 771	800 155

Safety, Security and Liaison

Adjusted Budget Summary

Table 9.1: Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	90 415	90 415	-	-
<i>of which:</i>				
Current payments	87 521	87 421	(100)	-
Transfers and subsidies	-	100	-	100
Payments for capital assets	2 894	2 894	-	-
Statutory Amount	1 420	1 420	-	-
Provincial Revenue Fund				
Executive authority	MEC for Safety, Security and Liaison			
Accounting officer	Deputy Director-General of Safety, Security and Liaison			

Summary of Revenue

Table 9.2 Summary of Receipts

R Thousand	2009/10 Adjustment Appropriation							2009/10 Adjusted Budget
	2009/10 Main Appropriation	2008/09 Rollover	Unforeseeable/Unavoidable	Virement	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation	
	Equitable Share	90 415	-	-	-	-	-	
Conditional grants	-	-	-	-	-	-	-	-
Own Revenue	-	-	-	-	-	-	-	-
Total Revenue	90 415	-	-	-	-	-	-	90 415

Mission

The mission of the department is to ensure a safe, secure and crime free Mpumalanga Province.

Adjusted Estimates of Provincial Expenditure 2009

Table 9.3: Adjusted Estimates

		2009/10							
		Additional appropriation							
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments	Total Additional appropriation	Adjusted appropriation
R Thousand	Main Appropriation								
1. Administration	72 091	-	-	300	-	-	-	300	72 391
2. Community Liaison	10 085	-	-	700	-	-	-	700	10 785
3. Monitoring & Evaluation	6 819	-	-	(1 000)	-	-	-	(1 000)	5 819
Subtotal	88 995	-	-	-	-	-	-	-	88 995
Statutory Amount	1 420	-	-	-	-	-	-	-	1 420
Total	90 415	-	-	-	-	-	-	-	90 415
Economic classification									
Current payments	87 521			(100)	-	-	-	(100)	87 421
Compensation of employees	48 464	-	-	500	-	-	-	500	48 964
Goods and services	39 057	-	-	(600)	-	-	-	(600)	38 457
Transfer payment and subsidies	-			100				100	100
Households	-	-	-	100	-	-	-	100	
Payments for capital assets	2 894			-				-	2 894
Buildings and other fixed structures	300	-	-	-	-	-	-	-	300
Machinery and equipment	2 594	-	-	-	-	-	-	-	2 594
Total payments	90 415	-	-	-	-	-	-	-	90 415

Details of Adjustments to Estimates of Provincial Expenditure 2009

Virements

Table 9.4: Details on virements per programme and economic classification

Programmes					
1. Administration					
2. Community Liaison					
3. Monitoring and Evaluation					
From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
Administration			Community Liaison		
Goods and services	Saving on transport cost and accommodation due to cost curtailment measures.	(300)	Compensation of employees	For marketing department's programmes.	300
	Saving on transport cost and accommodation. To be utilised for payments for leave gratuity.	(100)	Transfers & Subsidies: Households	For leave gratuity	100
TOTAL:		(400)			400
3. Monitoring & Evaluation			Administration		
Compensation of employees	Savings due to over budgeting coupled with delays in filling vacant funded posts	(500)	Compensation of employees	For anticipated over-spending	300
			Community Liaison		
			Compensation of employees	For anticipated over-spending	200
Goods and services	Savings on the MEC Excellence award, as well as on transport and accommodation.	(500)	Community Liaison		
			Goods and services	For a summit on Social Crime Prevention.	500
TOTAL:		(1 000)			1 000
Total for Vote:		(1 400)			1 400

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 9.5: Expenditure Trends

R Thousand	2008/9					2009/10		
	Adjusted appropriation	Expenditure outcome			Preliminary expenditure			
		Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
1. Administration	56 115	28 823	51%	56 161	100%	72 391	34 244	47%
2. Community Liaison	7 072	1 020	14%	6 132	87%	10 785	5 461	51%
3. Monitoring & Evaluation	4 193	1 690	40%	4 436	106%	5 819	2 343	40%
Subtotal	67 380	31 533	47%	66 729	99%	88 995	42 048	47%
Statutory Amount	752	752	100%	1 328	177%	1 420	710	50%
Total	68 132	32 285	47%	68 057	99%	90 415	42 758	47%
Economic classification								
Current payments	66 300	30 181	46%	66 342	100%	87 421	41 421	47%
Compensation of employees	35 567	16 836	47%	37 515	105%	48 964	22 766	46%
Goods and services	30 733	13 345	43%	28 827	94%	38 457	18 655	49%
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Transfer payment and subsidies	232	222	96%	232	100%	100	42	42%
Provinces and municipalities	-	-	-	-	-	-	-	-
Households	232	222	96%	232	100%	100	42	42%
Payments for capital assets	1 600	1 130	71%	1 483	93%	2 894	1 295	45%
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	1 600	1 130	71%	1 483	93%	2 894	1 295	45%
Land and subsoil assets	-	-	-	-	-	-	-	-
Total payments	68 132	31 533	46%	68 057	100%	90 415	42 758	47%

Selected expenditure trends for the first half of 2009/10

Total expenditure for 2008/09 was 100 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 was R42.8 million or 47 percent of the adjusted appropriation of R90.4 million. In comparison, mid-year expenditure in 2008/09 was R32.3 million or 46 percent of the 2008/09 adjusted appropriation.

The Vote's year on year expenditure for the first six months remains the same.

Departmental receipts

Table 9.6: Receipts

R thousand	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome			Preliminary receipts				
		Apr '08 - Sep '08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar '09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep '09	% of Adjusted estimates
Departmental receipts	131	321	245%	525	401%	168	168	202	120%
Interest, dividends and rent on land	51	260	510%	405	794%	120	120	98	82%
Sales of capital assets	20	23	115%	23	115%	-	-	-	-
Financial transactions in assets and liabilities	60	38	63%	97	162%	48	48	104	217%
Extraordinary receipts	20	12	60%	23	115%	24	24	14	58%
Commission of insurance	20	12	60%	23	115%	24	24	14	58%
Total	151	333	221%	548	363%	192	192	216	113%

Selected revenue trends for the first half of 2009/10

Revenue collection in the first six months of 2009/10 was R0.216 million or 113 percent of the adjusted revenue estimate of R0.192 million. In comparison, mid-year revenue collection in 2008/09 was R0.333 million or 221 percent of the 2008/09 adjusted revenue collection.

The Vote's year on year revenue collection for the first six months has declined by R0.117 million or 108 percent.

The decline when compared to 2008/09 collection is mainly attributed to improve spending in 2009/10 as compared with the 2008/09 under-spending which was accumulating a lot of interest.

Health

Adjusted budget summary

Table 10.1: Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 429 452	6 047 714	-	618 262
<i>of which:</i>				
Current payments	4 668 962	5 063 343	-	394 381
Transfers and subsidies	116 960	126 082	-	9 122
Payments for capital assets	643 530	858 289	-	214 759
Statutory Amount		1 000	-	1 000
Provincial Revenue Fund				
Executive authority	MEC for Health and Social Development			
Accounting officer	Superintendent-General of Health			

Summary of Revenue

Table 10.2: Summary of Receipts

R Thousand	2009/10 Adjustment Appropriation							2009/10 Adjusted Budget
	2009/10 Main Appropriation	2008/09 Rollover	Unforeseeable /Unavoidable	Virement	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation	
Equitable Share	4 610 008			-	-	323 356	323 356	4 933 364
Conditional grants	817 225	194 357	100 549	-	-	-	294 906	1 112 131
Own Revenue	2 219	-	-	-	-	-	-	2 219
Total Revenue	5 429 452	194 357	100 549	-	-	323 356	618 262	6 047 714

Mission

We aim to improve the quality of Health and well being of all people of Mpumalanga by providing a needs based people centered equitable health care delivery system through an integrated network of health care services provided by a cadre of dedicated Health Workers providing high quality accessible and equitable continuum of care to address the priority needs of all people, with people participation and support.

Adjusted Estimates of Provincial Expenditure 2009

Table 10.3: Adjusted Estimates							
2009/10							
Programme	Additional appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	Adjusted appropriation
1. Administration	274 436	-	-	(1 000)	-	(1 000)	273 436
2. District Health Services	2 762 324	-	96 204	-	227 811	324 015	3 086 339
3. Emergency Medical Services	206 635	-	4 345	22 500	12 707	39 552	246 187
4. Provincial Hospital Services	689 566	-	-	10 700	35 004	45 704	735 270
5. Central Hospital Services	586 374	-	-	2 425	25 806	28 231	614 605
6. Health Sciences and Training	213 781	-	-	(2 200)	21 996	19 796	233 577
7. Health Care Support Services	92 676	639	-	(4 425)	32	(3 754)	88 922
8. Health Facilities Management	603 660	193 718	-	(29 000)	-	164 718	768 378
Subtotal	5 429 452	194 357	100 549	(1 000)	323 356	617 262	6 046 714
Statutory Amount	-	-	-	1 000	-	1 000	1 000
Total	5 429 452	194 357	100 549	-	323 356	618 262	6 047 714
Economic classification	5 429 452	194 357	100 549	-	323 356	618 262	6 047 714
Current payments	4 668 962	-	96 204	(25 179)	323 356	394 381	5 063 343
Compensation of employees	2 926 127	-	-	36 753	263 356	300 109	3 226 236
Goods and services	1 742 835	-	96 204	(61 932)	60 000	94 272	1 837 107
Interest and rent on land	-	-	-	-	-	-	-
Transfers and subsidies	116 960	-	-	9 122	-	9 122	126 082
Provinces and municipalities	20 000	-	-	-	-	-	20 000
Departmental agencies and accounts	700	-	-	-	-	-	700
Universities and technikons	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-
Foreign governments and international	-	-	-	-	-	-	-
Non-profit institutions	91 741	-	-	(4 423)	-	(4 423)	87 318
Households	4 519	-	-	13 545	-	13 545	18 064
Payments for capital assets	643 530	194 357	4 345	16 057	-	214 759	858 289
Buildings and other fixed structures	387 276	194 357	-	58 200	-	252 557	639 833
Machinery and equipment	256 254	-	4 345	(42 143)	-	(37 798)	218 456
Cultivated assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-
Total	5 429 452	194 357	100 549	-	323 356	618 262	6 047 714

Details of adjustments to Estimates of Provincial Expenditure 2008

Roll-over of funds- R194.357 million

Programme 7: Health Care Support Services

A rollover of R639 thousand will be utilised for forensic services projects of the Department.

Programme 8: Health Facilities Management

A rollover of R193.718 million will be utilised for revitalisation projects of the Department.

Unforeseeable and unavoidable expenditure- R100.549 million

Programme 2: District Hospital Services

An amount of R96.204 million will be allocated to this programme for faster take up of the ARV's within HIV/AIDS sub-programme.

Programme 3: Emergency Medical Services

An amount of R4.345 million will be allocated to this programme for the 2010 FIFA World Cup preparations.

Virements

Table10.4: Details on virements per programme and economic classification

From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
1. Administration			1. Administration		
Current Payment Compensation of employees	An amount of R1 million (1.4%) was realised under compensation due to cost curtailment measures	(1 000)	Compensation of employees - Statutory Amount	The amount of R1 million will be utilised for statutory provision	1 000
Current Payment Goods and Services	An amount of R14 million (7.5%) was identified under goods and services due to cost curtailment	(14 000)	Transfers - Households	The amount of R14 million will be utilised to pay for a Litigation against the state at Mammethake Hospital	14 000
Total current payments		(15 000)			15 000
Capital Payment Machinery and Equipment	An amount of R7.275 million (48.2%) from machinery and equipment due to reprioritisation of departmental budget spending.	(7 275)	Goods and Services	The amount of R7.275 million will be used to cover expenditure on security account because of inadequate funds in the account	7 275
Total Capital Payments		(7 275)			7 275
TOTAL:		(22 275)			22 275
2. District Health Services			2. District Health Services		
Capital Payment Machinery and Equipment	A saving of R16,555 million (29.2%) from machinery and equipment due to reprioritisation of departmental budget spending.	(16 555)	Goods and Services	The saving of R16,555 million will be used to cover expenditure on critical accounts (Medicine, Oxygen, LAB, Boundagess and Dressing)	16 555
Total Capital Payments		(16 555)			16 555
Transfers	A saving within transfers (5.1%) for HIV/AIDS sub-programme due to reduction of accreditation of NGO for funding	(4 521)	Goods and Services	The saving of R4,521 million will be used to cover anticipated overspending on LAB and ARV accounts	4 521
Total Transfers		(4 521)			4 521
TOTAL:		(21 076)			21 076
3. Emergency Medical Services			3. Emergency Medical Services		
Capital Payment Machinery and Equipment	A saving from machinery and equipment (34%) due to slow spending trend on Planned Patient sub-programme	(10 000)	Capital Payment Machinery and Equipment	The funds will be used to cover expenditure on ambulances for 2010 FIFA world cup	10 000
Total Capital Payments		(10 000)			10 000
TOTAL:		(10 000)			10 000
4. Provincial Hospital Services			4. Provincial Hospital Services		
Capital Payment Machinery and Equipment	A saving of R7.314 million (38.2%) has been identified due to reprioritisation of departmental budget spending.	(7 314)	Goods and Services	The saving of R7.314 million will be used to cover expenditure medicine account	7 314
Total Capital Payments		(7 314)			7 314
TOTAL:		(7 314)			7 314
5. Central Hospitals			5. Central Hospitals		
Capital Payment Machinery and Equipment	A saving of R18.934 million (22.3%) from machinery and equipment has been identified due to reprioritisation of departmental budget spending.	(18 934)	Compensation of employees	R12.240 million of the saving will be used for compensation of employees of Medical Specialists on the NTSG conditional grant	12 240
			Goods and Services	R6.694 million of the saving will be used to cover expenditure on medicine account.	6 694
Total Capital Payments		(18 934)			18 934
TOTAL:		(18 934)			18 934

Table 10.4: Details on virements per programme and economic classification					
From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
6. Health Sciences and Training			4. Provincial Hospital Services		
Current Payment	An amount of R2.2 million (2.1%) has been re-prioritised due to cost curtailment in the Department	(2 200)	Current Payment	An amount of R2.2 million has been re-prioritised from this programme which will be utilised to fund 2010 FIFA World Cup preparations	2 200
Goods and Services			Goods and services		
TOTAL:		(2 200)	TOTAL:		2 200
7. Health Care Support Services			4. Provincial Hospital Services		
Current Payments	An amount of R4.425 (6.3%) has been identified due to cost curtailment in the Department	(4 425)	Current Payments	Savings will be utilised to defray a possible overspending in Programme 5 under goods and services (Medical Services) and will also fund 2010 FIFA World Cup activities.	4 425
Goods and Services			Goods and Services		
TOTAL:		(4 425)	TOTAL:		4 425
8. Health Care Facility			4. Provincial Hospital Services		
Current Payments	An amount of R87 million (70.1%) has been re-prioritised due to insufficient funds for infrastructure projects	(87 000)	Machinery and Equipment	An amount of R87 million has been re-prioritised to fund Capital Projects	87 000
Goods and Services			Goods and Services	An amount of R3 million will be utilised to fund Office of the Director 2010 for 2010 FIFA World Cup preparations	3 000
Payment for Capital Assets	An amount of R6.5 million (100%) has been re-prioritised from emergency rescue services	(29 000)	Machinery and Equipment	An amount of R3.5 million will be utilised to fund 2010 FIFA World Cup preparations	3 500
Buildings and Other Fixed Structures			3. Emergency Medical Services		
			Goods and Services	An amount of R22.5 million has been re-prioritised which will be utilised to fund rental of buildings and other activities for EMS in preparation for 2010 FIFA World Cup	12 500
			Machinery and Equipment	An amount of R22.5 million has been re-prioritised from Programme 8: emergency rescue services which will be utilised to fund purchase of ambulances for 2010 FIFA World Cup preparations	10 000
TOTAL:		(116 000)	TOTAL:		116 000
Total for vote:		(202 224)			202 224

Other adjustments- R323.356 million

Occupational Specific Dispensation of Doctors and Specialist- R103.598 million

Programme 2: District Hospital Services

An amount of R60.492 million will be allocated to this programme for the implementation of the OSD for Doctors and specialists in accordance with the agreement reached in the Public Health and Social Development Sectoral Bargaining Council

Programme 3: Emergency Medical Services

An amount of R5.838 million will be allocated to this programme for the implementation of the OSD for specialists in accordance with the agreement reached in the Public Health and Social Development Sectoral Bargaining Council

Programme 4: Provincial Hospital Services

An amount of R21.121 million will be allocated to this programme for the implementation of the OSD for specialists in accordance with the agreement reached in the Public Health and Social Development Sectoral Bargaining Council.

Programme 5: Central Hospitals

An amount of R16.148 million will be allocated to this programme for the implementation of the OSD for specialists in accordance with the agreement reached in the Public Health and Social Development Sectoral Bargaining Council.

Adjustment for Cost Drivers- R60 million

Programme 2: District Hospital Services

An amount of R39.918 million will be allocated to this programme to defray a possible overspending on drugs, oxygen, Laboratory and other crucial accounts of the department.

Programme 3: Emergency Medical Services

An amount of R1.586 million will be allocated to this programme to defray a possible overspending in payment for fuel and other crucial accounts of the main division.

Programme 4: Provincial Hospital Services

An amount of R9.682 million will be allocated to this programme to defray a possible overspending on drugs, oxygen, Laboratory and other crucial accounts of the department.

Programme 5: Central Hospitals

An amount of R8.814 million will be allocated to this programme to defray a possible overspending on drugs, oxygen, Laboratory and other crucial accounts of the department.

Adjustment for General Salary Adjustment implementation- R159.758 million

Programme 2: District Hospital Services

An amount of R127.401 million will be allocated to this programme for the implementation of general salary increase in accordance with Resolution 5 of 2009 of the PSCBC.

Programme 3: Emergency Medical Services

An amount of R5.283 million will be allocated to this programme for the implementation of general salary increase in accordance with Resolution 5 of 2009 of the PSCBC.

Programme 4: Provincial Hospital Services

An amount of R4.201 million will be allocated to this programme for the implementation of general salary increase in accordance with Resolution 5 of 2009 of the PSCBC.

Programme 5: Central Hospitals

An amount of R844 thousand will be allocated to this programme for the implementation of general salary increase in accordance with Resolution 5 of 2009 of the PSCBC.

Programme 6: Health Sciences and Training

An amount of R21.996 million will be allocated to this programme for the implementation of general salary increase in accordance with Resolution 5 of 2009 of the PSCBC.

Programme 7: Health Care Support

An amount of R32 thousand will be allocated to this programme for the implementation of general salary increase in accordance with Resolution 5 of 2009 of the PSCBC.

Expenditure 2008/09 and preliminary expenditure 2009/10

	2008/09 Expenditure outcome					2009/10 Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '07 - Mar '08 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	232 963	114 362	49%	236 846	102%	273 436	158 966	58%
2. District Health Services	2 455 450	1 165 910	47%	2 413 853	98%	3 086 339	1 519 254	49%
3. Emergency Medical Services	175 759	100 477	57%	177 176	101%	246 187	84 629	34%
4. Provincial Hospital Services	604 890	273 721	45%	581 335	96%	735 270	344 910	47%
5. Central Hospital Services	569 535	311 021	55%	548 252	96%	614 605	315 006	51%
6. Health Sciences and Training	128 353	72 079	56%	128 104	100%	233 577	107 541	46%
7. Health Care Support Services	99 619	32 984	33%	90 566	91%	88 922	39 814	45%
8. Health Facilities Management	389 410	90 269	23%	276 394	71%	768 378	337 259	44%
Subtotal	4 655 979	2 160 823	46%	4 452 526	96%	6 046 714	2 907 379	48%
Statutory amount						1 000		0%
Total	4 655 979	2 160 823	46%	4 452 526	96%	6 047 714	2 907 379	48%
Economic classification								
Current payments	4 026 691	1 974 552	49%	3 978 477	99%	5 063 343	2 475 613	49%
Compensation of employees	2 601 230	1 255 243	48%	2 603 406	100%	3 226 236	1 394 144	43%
Goods and services	1 425 461	719 171	50%	1 374 914	96%	1 837 107	1 081 309	59%
Interest and rent on land							8	
Financial transactions in assets and liabilities		138		157			152	
Transfer payment and subsidies	93 311	32 060	34%	86 233	92%	126 082	49 015	39%
Provinces and municipalities	23 732	10 380	44%	21 279	90%	20 000	2 396	12%
Departmental agencies and accounts	670		0%		0%	700		0%
Universities and technikons								
Public corporations and private enterprises								
Foreign governments & international organ								
Non-profit institutions	64 697	18 383	28%	58 392	90%	87 318	43 152	49%
Households	4 212	3 297	78%	6 562	156%	18 064	3 467	19%
Payments for capital assets	535 977	154 211	29%	387 816	72%	858 289	382 751	45%
Buildings and other fixed structures	315 906	76 751	24%	264 269	84%	639 833	310 632	49%
Machinery and equipment	220 071	77 460	35%	123 547	56%	218 456	72 119	33%
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total payments	4 655 979	2 160 823	46%	4 452 526	96%	6 047 714	2 907 379	48%

Selected expenditure trends for the first half of 2009/10

Expenditure in the first six months of 2009/10 is R2.907 billion or 48.1 percent of the adjusted appropriation of R6.047 billion for the year as a whole. In comparison, mid-year expenditure in 2008/09 was R2.160 billion or 46 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 increased by R746.556 million or 34.5 percent, compared with the first six months last year due to settling of accruals amounting to R421million that emanate from 2008/09 financial year.

The main expenditure increase compared to 2008/09 is due to the increased uptake on the HIV AIDS programme and the paid accruals for 2008/09.

Departmental receipts

Table 10.6: Receipts

R thousand	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome			Preliminary receipts				
		Apr '08 - Sep '08	of adjusted estimates	Apr '08 - Mar '09	of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep '09	% of Adjusted estimates
Departmental receipts	47 280	25 195	53%	57 308	121%	43 040	43 040	25 271	59%
Sales of goods and services other than capital assets	40 931	16 726	41%	44 599	109%	30 886	30 886	19 583	63%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3 973	4 118	104%	6 560	165%	6 210	6 210	2 402	39%
Sales of capital assets	39	2 824	7241%	3 321	8515%	4 081	4 081	677	17%
Financial transactions in assets and liabilities	2 337	1 527	65%	2 828	121%	1 863	1 863	2 609	140%
Extraordinary receipts	-	-		-		-	-	-	
Casino taxes									
Horse racing taxes									
Liquor licences									
Tourist Guide									
Commission of insurance									
Total	47 280	25 195	53%	57 308	121%	43 040	43 040	25 271	59%

Selected revenue trends for the first half of 2009/10

Departmental revenue collection for the first six months of 2009/10 is R 25.271 million or 58.7 percent of the adjustment estimate R43.040 million for the year. In comparison, mid-year revenue collection in 2008/09 was R25.195 or 53.2 percent of the 2008/09 adjusted estimate. Departmental revenue collection in the first six months of 2009/10 increased by R79 thousand or 0.3 percent, compared to revenue collected in the first six months of 2008/09.

Changes to transfers and subsidies, and conditional grants

Table 10.7: Summary of changes to transfers and subsidies per programme

		2008/09						
		Additional appropriation					Adjusted appropriation	
R Thousand	Main Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virement	Additional National Grants	Other provincial Adjustments		Total Additional appropriation
1. Administration	90	-	-	14 000		-	14 000	14 090
Household	90	-	-	14 000		-	14 000	14 090
2. District Health Services	88 447	-	-	(4 521)		-	(4 521)	83 926
Provinces and municipalities	20 000	-	-	-		-	-	20 000
Departmental Agencies and Account	700	-	-	-		-	-	700
Non-Profit Institution	64 886	-	-	(4 423)		-	(4 423)	60 463
Household	2 861	-	-	(98)		-	(98)	2 763
4. Provincial Hospital Services	27 512	-	-	78		-	78	27 590
Non-Profit Institution	26 855	-	-	-		-	-	26 855
Household	657	-	-	78		-	78	735
5. Central Hospital Services	849	-	-	(435)		-	(435)	414
Household	849	-	-	(435)		-	(435)	414
6. Health Sciences and Training	12	-	-	-		-	-	12
Household	12	-	-	-		-	-	12
7. Health Care Support Services	50	-	-	-		-	-	50
Household	50	-	-	-		-	-	50
Subtotal	116 960	-	-	9 122		-	9 122	126 082

Table 10.8: Summary of changes to Conditional Grants

		2008/09						
		Additional appropriation					Adjusted appropriation	
R Thousand	Main Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virement	Additional National Grants	Other provincial Adjustments		Total Additional appropriation
2. District Health Services	200 226		96 204			-	96 204	296 430
Comprehensive HIV/AIDS	200 226		96 204			-	96 204	296 430
3. Emergency Medical Services	-		4 345			-	4 345	4 345
2010 World Cup preparation strategy grant	-		4 345			-	4 345	4 345
5. Central Hospital Services	81 410					-	-	81 410
National Tertiary Services	81 410					-	-	81 410
6. Health Sciences and Training	71 839					-	-	71 839
Health Professionals Training & Development	71 839					-	-	71 839
7. Health Care Support Services	44 233	639				-	639	44 872
Forensic Pathology	44 233	639				-	639	44 872
8. Health Facilities Management	419 517	193 718				-	193 718	613 235
Hospital Revitalisation	304 441	193 718				-	193 718	498 159
Provincial Infrastructure	115 076					-	-	115 076
Subtotal	817 225	194 357	100 549	-	-	-	294 906	1 112 131

Roads and Transport

Adjusted Budget Summary

Table :11.1 Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 138 946		(2138 946)	
<i>of which:</i>				
Current payments	1 478 298		(1478 298)	
Transfers and subsidies	4 815		(4 815)	
Payments for capital assets	655 004		(655 004)	
Statutory Amount	829		(829)	
Provincial Revenue Fund				
Executive authority	MEC for Roads and Transport			
Accounting officer	Acting Head: Department of Roads and Transport			

Summary of Revenue

Table 11.2 Summary of Receipts

R Thousand	2009/10 Adjustment Appropriation							2009/10 Adjusted Budget
	2009/10 Main Appropriation	2008/09 Rollover	Unforeseeable/Un avoidable	Virement	Function Shift	Other provincial Adjustments	Total Additional Appropriation	
	Equitable Share	1 218 407			(4 292)	(1 164 115)	(50 000)	
Conditional grants	731 634	3659			(735 293)		(731 634)	-
Own Revenue	188 905				(188 905)		(188 905)	-
Total Revenue	2 138 946	3 659	-	(4 292)	(2 088 313)	(50 000)	(2 138 946)	-

Mission

The aim of the department is to provide an integrated transport system and infrastructure that promotes socio-economic development

Reorganisation of Department

The former department of Public Works and former the department of Roads and Transport have been merged to one department, namely, Department of Public Works Roads and Transport as proclaimed.

Adjusted Estimates of Provincial Expenditure 2009

Table 11.3: Adjusted Estimates

R Thousand	Main Appropriation	2009/10						Adjusted appropriation	
		Additional appropriation							
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments		Total Additional appropriation
1. Administration	285 077			-	(266 577)		(18 500)	(285 077)	-
2. Roads Infrastructure	1089 016			-	(1 067 216)		(21 800)	(1 089 016)	-
3. Public Transport	515 368			-	(513 368)		(2 000)	(515 368)	-
4. Traffic Management	248 656	3 659		-	(240 323)		(11 992)	(248 656)	-
Subtotal	2 138 117	3 659		-	(2 087 484)		(54 292)	(2 138 117)	-
Statutory Amount	829				(829)			(829)	-
Total	2 138 946			-	(2 088 313)			(2 138 946)	-
Economic classification									
Current payments	1 479 127	-	-	(362 677)	(1 066 450)	-	(50 000)	(1 479 127)	-
Compensation of employees	569 518			2 275	(571 793)			(569 518)	-
Goods and services	909 609			(364 952)	(494 657)		(50 000)	(909 609)	-
Financial transactions in assets and									
Transfer payment and subsidies	4 815	-	-	371 067	(375 882)	-	-	(4 815)	-
Provinces and municipalities	-							-	-
Public corporations and private enterprises	-			370 650	(370 650)			-	-
Households	4 815			417	(5 232)			(4 815)	-
Payments for capital assets	655 004	3 659	-	(8 390)	(645 981)	-	(4 292)	(655 004)	-
Buildings and other fixed structures	636 312			(22 210)	(614 102)			(636 312)	-
Machinery and equipment	18 692	3 659		13 820	(31 879)		(4 292)	(18 692)	-
Specialised military assets									
Total payments	2 138 946	3 659	-	(2 088 313)	-	(54 292)		(2 138 946)	-

Details of Adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds R3.659 million

The department was granted a rollover of R3.659 million on the overload control grant but the is a first charge against the Vote of R0.633 million which was not committed as at the end of 2008/09 financial year. This amount has been forfeited to the National Revenue fund.

Virements

Table 11.4: Details on virements per programme and economic classification

From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
1. Administration Goods and services	To purchase computer hardware and systems and for accruals on payments of trucks.	(1 492)	1. Administration Machinery and Equipment	To purchase computer hardware and systems and accruals payment of trucks	1 492
Total		(1 492)	Total		1 492

Table 11.4: Details on virements per programme and economic classification

From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
2. Roads Infrastructure			2. Roads Infrastructure		
Goods and services	There are identified savings from Sub Programme Roads Planning (R8.9 million) and Sup Programme Construction for Unit A & Unit B (R14.1 million). Transferring of R0.085 million from goods and services to machinery and equipment.	(23 085)	Goods and services	Additional budget for Sub Programme Maintenance in the regions for the regraveling of access roads to support municipalities on rural areas (R15 million). Regraveling of P2/10 from N4 (Schoemanskloof) to D210 (Mathews Phosa) (R9 million). These savings will be utilised to defray possible expenditure in Sub Programme Design (R4.210 million) and Sub Programme Maintenance (R22.225 million) within the same economic classification.	23 000
Buildings and other fixed structures	There are identified savings from Sup Programme Construction.	(31 000)	Buildings and other fixed structures	These savings will be utilised to defray possible expenditure in Sub Programme Design (R4.210 million) and Sub Programme Maintenance (R22.225 million) within the same economic classification.	26 435
Machinery and Equipment			Machinery and Equipment	These savings will be utilised to defray possible expenditure for the purchases of construction equipments of R4.565 million within the same Sub Programme. R0.085 million for the purchase of Computer Hardware and Systems within the Maintenance Sub Programme.	4 565
				Purchase of computer hardware and systems	85
TOTAL:		(54 085)			54 085
3 Public and Freight Transport			3 Public and Freight Transport		
Compensation of employees	The savings of R2.000 million from Institutional Management and R1.500 million from Regulation and Control	(3 500)	Compensation of employees		
Goods and services	This amount was wrongly classified and is to be regarded as transfers and subsidies under public corporations and private enterprises	(370 650)	Goods and services	These savings will be utilised to defray the over expenditure for Moloto feasibility study under the Sub-Program Public and Freight Infrastructure	19 984
Public Corporations and Private Enterprises			Public Corporations and Private Enterprises	Amount transferred to transfers and subsidies under public corporations and private enterprises	370 650
Buildings and other fixed structures	The savings are from Mbombela Multi-Modal (Bus Civil Works)	(17 645)	Buildings and other fixed structures	These savings will be utilised to defray the over expenditure for designs under the Sub-Program Public and Freight Planning	1 161
TOTAL:		(391795)	TOTAL:		391 795

Table 11.4: Details on virements per programme and economic classification

From			To			
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand	
4. Traffic Management			4. Traffic Management			
Goods and services	To fund overtime for traffic officers, pay for injury on duty and to purchase computer hardware and systems	(12 772)	Compensation of employees	To fund compensation of Employees items ie overtime for traffic officers	5 775	
Provinces and municipalities			Provinces and municipalities	To pay for injury on duty .	417	
Departmental agencies and accounts			Departmental agencies and accounts			
Machinery and Equipment			Machinery and Equipment	To purchase computer hardware and systems	6 580	
TOTAL:		(12 772)			12 772	
Total for vote:		(460 144)			460 144	

Other adjustments R50.633 million

Programme 1: Administration

R18.5 million declared savings surrendered on this programme to fund budget shortfall in the Department of Education

Programme 2: Road Infrastructure

R21.8 million declared savings surrendered on this programme to fund budget shortfall in the Department of Education.

Programme 3: Public and freight transport

R2 million declared savings surrendered on this programme to fund budget shortfall in the Department of Education.

Programme 4: Traffic Management

R7.7 million declared savings surrendered on this programme to fund budget shortfall in the Department of Education.

An additional R0.633 million has been surrendered to the Provincial Revenue Fund as unspent and not committed funds from the Overload control Grant that was surrendered by the Provincial Treasury to the National Department of Transport on behalf of the department.

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 11.5 : Expenditure Trends

	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	233 193	116 877	50%	233 176	100%	-	124 893	
2. Roads Infrastructure	1 124 033	562 729	50%	1 123 984	100%	-	461 849	
3. Public and Freight Transport	109 934	44 387	40%	109 930	100%	-	253 332	
4. Traffic Management	236 195	97 253	41%	236 190	100%	(633)	112 426	
Total	1 703 355	821 246	48%	1 703 280	100%	(633)	952 500	
Economic classification								
Current payments	844 251	424 701	50%	872 097	103%	-	664 278	
Compensation of employees	449 653	226 036	50%	465 399		-	262 409	
Goods and services	394 598	198 665	50%	406 199		-	401 566	
Interest and rent on land								
Financial transactions in assets and liabilities				499			303	
Transfer payment and subsidies	4 316	2 325	54%	3 970	92%	-	2 144	
Provinces and municipalities	173	3	2%	1		-		
Departmental agencies and accounts								
Universities and technikons						-		
Public corporations and private enterprises								
Foreign governments & international organ								
Non-profit institutions						-		
Households	4 143	2 322		3 969		-	2 144	
Payments for capital assets	854 748	394 220	46%	827 208	97%	(633)	286 078	
Buildings and other fixed structures	756 598	374 318	49%	751 306		-	272 475	
Machinery and equipment	98 150	19 902	20%	75 902		(633)	13 603	
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total payments	1 703 315	821 246	48%	1 703 275	100%	(633)	952 500	

Selected expenditure trends for the first half of 2009/10

The Department spent R1.703 billion of its adjusted budget of R1.703 billion for the 2008/09 financial year. The Department has managed to spend 100 percent of its budget during the previous financial year. The Operational and Expenditure Plan for 2009/10 financial year indicates that the Department was supposed to spend 54 percent or R1.151 billion of its total budget of R2.139 billion during the first two quarters. The department only spent 45 percent or R 9 525 million of its budget which is 9 percent or R198.752 million less than the operational plan's projected expenditure. It must be noted that included in the expenditure is an amount of R44.559 million for accruals relating to 2008/09 financial year and paid during the current financial year.

The Roads Infrastructure programme has registered the lowest spending percentage of 42 percent of the budget and under spent its projected expenditure as per the operational plan by 22 percent or R 131.500 million, followed by Administration which spent 44 percent of the budget and under spent by 16 percent or R23.94 million, followed by Traffic Management which spent 45 percent and under spent by 2 percent or R2.251 million. Public and Freight Transport has registered the highest spending percentage of 49 percent, however the programme under spent its operational plan's projected expenditure by 14 percent or R40.758 million. In terms of economic classification expenditure, the department has spent 44 percent of its payments for capital assets and 46 percent on compensation of employees.

Departmental receipts

Table 11.6: Receipts

	2008/09				2009/10				
	Adjusted Estimate	Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts									
Sales of goods and services other than capital assets	15 906	1 548	10%	2 402	15%	3 000	6 117	2 143	35%
Transfers received									
Fines, penalties and forfeits	19 525	12 948	66%			21 378	26 661	15 973	60%
Interest, dividends and rent on land	2 750	4 067	148%	26 185	952%	7 987	6 806	2 813	41%
Sales of capital assets	1 800	7 625	424%	6 845	380%	3 000	4 160	2 660	64%
Financial transactions in assets and liabilities	200	1 237	619%	9 314	4657%	150	93	93	100%
Extraordinary receipts									
Motor vehicle licences	179 981	116 172	65%	237 244	132%	248 396	253 214	131 413	52%
Casino taxes									
Horse racing taxes									
Liquor licences									
Tourist Guide									
Commission of insurance									
Total	220 162	143 597	65%	281 990	128%	283 911	297 051	155 095	52%

Selected revenue trends for the first half of 2009/10

The Department over collected its own revenue by 28 percent above the adjusted budget of R220.162 million during the 2008/09 financial year. The increase was mainly due to the increase in vehicle population, which eventually increased the payment of motor vehicle licences. The second major increase was the increase in the interest earned, as a result of the increase in the cash in the bank account.

The Department has collected an amount of R155.095 million during the past two quarters, which represent 52 percent of the total budget for the 2009/10 financial year. The Department is however projecting to collect an amount of R297.051 million during the current year. This amount represent an increase of R13.14 million or 5 percent increase from the initial budget of R283.911 million. The increase is mainly on the sales of goods and services, fines, penalties and forfeits and motor vehicle licences.

Culture, Sport and Recreation

Adjusted Budget Summary

Table 12.1: Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	278 696	283 178	-	4 482
<i>of which:</i>				
Current payments	225 442	192 711	32 731	-
Transfers and subsidies	9 080	9 080	-	-
Payments for capital assets	44 174	81 387	-	(37 213)
Statutory Amount	1 327	1 327	-	
Provincial Revenue Fund				
Executive authority	MEC for Culture Sport and Recreation			
Accounting officer	Deputy Director-General of Culture Sport and Recreation			

Summary of Revenue

Table 12.2: Summary of Receipts

R Thousand	2009/10 Main Appropriation	2009/10 Adjustment Appropriation					Total Additional Appropriation	2009/10 Adjusted Budget
		2008/09 Rollover	Unforeseeable/Un avoidable	Virement	Additional National Grants	Other provincial Adjustments		
Equitable Share	174 379	-	-	-	-	(4 984)	(4 984)	169 395
Conditional grants	85 826	9 466	-	-	-	-	9 466	95 292
Own Revenue	18 491	-	-	-	-	-	-	18 491
Total Revenue	278 696	9 466	-	-	-	(4 984)	4 482	283 178

Mission

To create access to equitable and quality services on culture, sport and information, through stimulating and developing culture and sporting capacities of people.

Adjusted Estimates of Provincial Expenditure 2009

Table 12.3: Adjusted Estimates

R Thousand	Main Appropriation	2009/10						Adjusted appropriation	
		Additional appropriation							
		Roll-overs	Unforeseeable/ Unavoidable	Virement shifts	Function shifts	Additional National Grants	Other Provincial Adjustments		Total Additional appropriation
1. Administration	89 857	-	-	(19 223)	-	-	(4 984)	(24 207)	65 650
2. Cultural Affairs	48 745	-	-	(1 235)	-	-	-	(1 235)	47 510
3. Library and Archives	90 608	9 466	-	20 458	-	-	-	29 924	120 532
4. Sport and Recreation	48 159	-	-	-	-	-	-	-	48 159
Subtotal	277 369	9 466	-	-	-	-	(4 984)	4 482	281 851
Statutory Amount	1 327	-	-	-	-	-	-	-	1 327
Total	278 696	9 466	-	-	-	-	(4 984)	4 482	283 178
Economic classification									
Current payments	225 442	-	-	(27 747)	-	-	(4 984)	(32 731)	192 711
Compensation of employees	92 092	-	-	(14 348)	-	-	-	(14 348)	77 744
Goods and services	133 350	-	-	(13 399)	-	-	(4 984)	(18 383)	114 967
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfer payment and subsidies	9 080	-	-	-	-	-	-	-	9 080
Provinces and municipalities	5 000	-	-	-	-	-	-	-	5 000
Non-profit institutions	3 680	-	-	-	-	-	-	-	3 680
Households	400	-	-	-	-	-	-	-	400
Payments for capital assets	44 174	9 466	-	27 747	-	-	-	37 213	81 387
Buildings and other fixed structures	39 674	8 554	-	24 368	-	-	-	32 922	72 596
Machinery and equipment	4 500	912	-	3 379	-	-	-	4 291	8 791
Specialised military assets	-	-	-	-	-	-	-	-	-
Total payments	278 696	9 466	-	-	-	-	(4 984)	4 482	283 178

Details of adjustments to Estimates of Provincial Expenditure 2009

Roll-over of funds – R9.466 million

Programme 3: Library and Archives Services

R9.466 million has been rolled over for the Community Library Services Conditional Grant. R8.554 million will be allocated to Building and Other Fixed Structures while R912 thousand will be allocated to Machinery and Equipment.

Out of R9.466 million, R4.462 million will be rolled over from the Provincial Revenue Fund while R5.004 million will be deducted from the department's equitable share and added to the Community Library Services Conditional Grant.

Other adjustments

Programme 1: Administration

R5.004 million has been transferred from equitable share to Community Library Services Conditional Grant.

R20 thousand has been allocated for Comprehensive Rural Development Programme in Mkhondo Municipality.

Virements

Table 12.4: Details on virements per programme and economic classification

Programme					
1. Administration					
2. Cultural Affairs					
3. Library and Archive					
4. Sport and Recreation					
From			To		
Programme / Economic classification	Motivation	R thousand	Programme / Economic classification	Motivation	R thousand
Programme 1			Programme 3		
Compensation of employees	Reduction due to vacant funded posts	4 889	Buildings and other fixed structures	For construction of Archive building	19 223
Machinery and Equipment	Reduction on purchase of equipment	14 334			
TOTAL:		19 223	TOTAL:		19 223
Programme 2			Programme 3		
Compensation of employees	Reduction due to vacant funded posts	796	Buildings and other fixed structures	For construction of Archive building	1 235
Buildings and Other fixed structures	Savings from Buildings and Other fixed structures	439			
TOTAL:		1 235	TOTAL:		1 235
Total for vote: 12		20 458	Total for Vote 12		20 458

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 12.5: Expenditure Trends

	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
R Thousand								
1. Administration	59 279	29 417	50%	62 185	105%	65 650	33 235	51%
2. Cultural Affairs	51 305	30 935	60%	47 595	93%	47 510	25 156	53%
3. Library and Archives	74 391	22 115	30%	61 282	82%	120 532	38 003	32%
4. Sport and Recreation	53 794	46 628	87%	63 266	118%	48 159	17 482	36%
Subtotal	238 769	129 095	54%	234 328	98%	281 851	113 876	40%
Statutory Amount	1 328	664	50%	1 307	98%	1 327	664	50%
Total	240 097	129 759	54%	235 635	98%	283 178	114 540	40%
Economic classification								
Current payments	185 112	105 729	57%	191 902	104%	192 711	83 814	43%
Compensation of employees	71 779	32 933	46%	70 051	98%	77 744	37 131	48%
Goods and services	113 333	72 796	64%	121 851	108%	114 967	46 683	41%
Financial transactions in assets and liabilities								
Transfer payment and subsidies	8 814	7 424	84%	7 960	90%	9 080	5 472	60%
Provinces and municipalities	3 208	2 871	89%	3 178	99%	5 000	3 350	67%
Departmental agencies and accounts	-	(23)	0%	-	0%	-	-	0%
Non-profit institutions	4 506	4 185	93%	4 185	93%	3 680	1 920	52%
Households	1 100	391	36%	597	54%	400	202	51%
Payments for capital assets	46 171	16 606	36%	35 773	77%	81 387	25 254	31%
Buildings and other fixed structures	41 092	12 217	30%	30 628	75%	72 596	22 440	31%
Machinery and equipment	5 079	4 385	86%	5 145	101%	8 791	2 814	32%
Software and other intangible assets	-	4	0%	-	0%	-	-	0%
Total payments	240 097	129 759	54%	235 635	98%	283 178	114 540	40%

Selected expenditure trends for the first half of 2009/10

Total expenditure for 2008/09 was 98 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 was R114.54 million or 40 percent of the adjusted appropriation of R283.178 million. In comparison, mid-year expenditure in 2008/09 was R129.759 million or 54 percent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 decreased by R15.219 million or 11 percent compared to spending in the first six months of 2008/09. The main decrease compared to 2008/09 is due to cost curtailment measures that have been put in place.

Departmental receipts

Table 12.6: Receipts

R thousand	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome				Preliminary receipts			
		Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
Departmental receipts	854	671	79%	1 407	165%	897	897	424	47%
Sales of goods and services other than capital assets	431	212	49%	751	174%	453	453	271	60%
Transfers received	-	-	0%	-	0%	-	-	-	0%
Fines, penalties and forfeits	39	41	105%	49	126%	41	41	19	46%
Interest, dividends and rent on land	323	369	114%	577	179%	339	339	134	40%
Sales of capital assets	61	49	80%	28	46%	64	64	-	0%
Financial transactions in assets and liabilities	-	-	0%	2	0%	-	-	-	0%
Total	854	671	79%	1 407	165%	897	897	424	47%

Selected revenue trends for the first half of 2009/10

Departmental revenue collection in the first six months of 2009/10 was R424 thousand or 47 percent of the adjusted revenue estimate of R897 thousand for the year as a whole. In comparison, mid-year revenue collection in 2008/09 was R671 thousand or 79 percent of the 2008/09 adjusted estimate. Departmental revenue collection in the first six months of 2009/10 decreased by R247 thousand or 36 percent compared to revenue in the first six months of 2008/09. The decrease compared to 2008/09 is due to lower interest earned as a result of lower cash that has remained unspent in the Paymaster General Account on month to month basis.

Changes to transfers and subsidies, and conditional grants

Table 12.7: Summary of changes to conditional grants		2009/10							
R Thousand	Main Appropriation	Additional appropriation					Total Additional Appropriation	Adjusted Appropriation	
		Roll- overs	Unforese eable/Una voidable	Virement	Additional National Grants	Other Provincial adjustme nts			
Library and Archives									
	Community Library Services Grant	55 956	9 466	-	-	-	-	9 466	65 422
Sport and Recreation									
	Mass Sport and Recreation Participation Programme Grant	29 870	-	-	-	-	-	-	29 870
Total		85 826	9 466	-	-	-	-	9 466	95 292

Roll-over

R9.466 million for Community Library Services Grant has been rolled over.

Social Development

Adjusted budget summary

Table 13.1 Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	792 343	768 343	(24 000)	
<i>of which:</i>				
Current payments	408 986	423 170		14 184
Transfers and subsidies	295 574	264 791	(30 783)	
Payments for capital assets	87 783	80 382	(7 401)	
Statutory Amount				
Provincial Revenue Fund	1 400	242	(1 158)	-
Executive authority	MEC for Health and Social Development			
Accounting officer	Deputy Director-General: Social Development			

Summary of Revenue

Table 13.2 Summary of Receipts

R Thousand	2009/10 Main Appropriation	2009/10 Adjustment Appropriation						2009/10 Adjusted Budget
		2007/08 Rollover	Unforeseeable/Un avoidable	Virement	Additional National Grants	Other provincial Adjustments	Total Additional Appropriation	
Equitable Share	786 511					(24 000)	(24 000)	762 511
Conditional grants							-	-
Own Revenue	5 832						-	5 832
Total Revenue	792 343	-	-	-	-	(24 000)	(24 000)	768 343

Mission

To provide equitable, integrated and quality sustainable social development services with all stakeholders to eradicate poverty and protect vulnerable groups in all communities of Mpumalanga.

Adjusted Estimates of Provincial Expenditure 2009

Table 13.3 Adjusted Estimates

R Thousand	Main Appropriation	2009/10 Additional appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/Un avoidable	Virement	Additional National Grants	Other Provincial Adjustments	Total Additional appropriation	
Administration	195 112	-	-	14 720	-	(3 100)	11 620	206 732
Social Welfare Services	450 405	-	-	3 899	-	(4 500)	(601)	449 804
Development and Research	145 426	-	-	(17 461)	-	(16 400)	(33 861)	111 565
Subtotal	790 943	-	-	1 158	-	(24 000)	(22 842)	768 101
Direct charges against the Provincial Revenue Fund	1 400	-	-	(1 158)	-	-	(1 158)	242
Total	792 343	-	-	-	-	(24 000)	(24 000)	768 343

Table 13.3 Adjusted Estimates

2009/10

R Thousand	Main Appropriation	Additional appropriation					Total Additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable	Virement	Additional National Grants	Other Provincial Adjustments		
Economic classification								
Current payments	408 986	-	-	33 684	-	(19 500)	14 184	423 170
Compensation of employees	249 667	-	-	28 186	-	-	28 186	277 853
Goods and services	159 319	-	-	5 498	-	(19 500)	(14 002)	145 317
Interest and rent on land	-	-	-	-	-	-	-	-
Transfer payment and subsidies	295 574	-	-	(30 783)	-	-	(30 783)	264 791
Non-profit institutions	277 939	-	-	(15 500)	-	-	(15 500)	262 439
Households	17 635	-	-	(15 283)	-	-	(15 283)	2 352
Payments for capital assets	87 783	-	-	(2 901)	-	(4 500)	(7 401)	80 382
Buildings and other fixed structures	57 456	-	-	-	-	(2 600)	(2 600)	54 856
Machinery and equipment	30 327	-	-	(2 901)	-	(1 900)	(4 801)	25 526
Specialised military assets	-	-	-	-	-	-	-	-
Total payments	792 343	-	-	-	-	(24 000)	(24 000)	768 343

Details of adjustments to Estimates of Provincial Expenditure 2009

Virements

Table 13.4: Virements

Programmes					
Administration					
Social Welfare Services					
Development and Research					
From			To		
Programme/economic classification	Motivation	R thousand	Programme/economic classification	Motivation	R thousand
1. Administration / Current payments- Compensation of employees	MEC's remuneration is paid from Health vote	(1,158)	1. Administration / Current payments- Goods and services	For running cost of MEC official vehicle and maintenance thereof.	300
				For purchase of MEC office requirements	69
			Payment for capital assets- Machinery and equipment	For purchase of MEC office requirements	789
1. Administration Transfers and Subsidies Households	Payment of bursaries for social work students is paid by the National Department of Social Development.	(15 283)	1. Administration/ Current payments - Compensation of employees	To fund critical vacant post in the newly approved structure	7 682
			Current payments-Goods and services	For telephone costs	2 101
				For security services	5 000
	Costs associated with rental of offices	500			
2 Social Welfare Services- Payment for Capital Assets- Machinery and equipment	Funds budgeted for purchase of machinery and equipment were reclassified	(3 590)	2. Social Welfare Services - Current payments- Compensation of employees	To fund critical vacant post in the newly approved structure	3 590
3. Development and Research Current payments - Goods and services	Commencement of training behind schedule for Masupatsela Youth Pioneers and implementation of cost curtailment measures. This amount represents three (3) percent of the appropriated to this	(5 341)	1 Administration/ Current payments - Goods and services	For rental of offices	3 900
				For fuel, oil and grease for government fleet	1 441
3. Development and Research Transfers and subsidies - Non Profit institutions	Estimated number of projects to be funded reduced	(15 500)	1. Administration/ Current payments - Goods and services. The amount represents four (4) percent of the amount appropriated to programme 3	For internal audit fees and telephone costs.	3 000
				Costs associated with rental of offices	2 431
				External audit fees	1 500
			3. Research and Development- Current payments/Compensation of employees	For filling of critical vacant post	3 480
			2.Social Welfare Services- Current payments - Compensation of employees. The amount represent three(3) percent of amount allocated to programme 3	To fill critical vacant posts, to appoint social auxiliary workers and social workers whose studies were funded by the Department	5 089
Total for vote:		(40 872)			40 872

Other adjustments: R24.million

Declared savings

Programme 1: Administration: R3.100 million

Programme 2: Social Welfare Services - R4.500 million

Programme 3: Research and Development - R16.400 million

Savings of R24.0 million due to reclassification of funds budgeted for conducting capacity building sessions and Masupatsela Youth Pioneer Programme for the training of Masupatsela Youth Pioneers of which the training commenced behind the scheduled is declared.

Expenditure 2008/09 and preliminary expenditure 2009/10

R Thousand	2008/09 Expenditure outcome				2009/10 Preliminary expenditure			
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08- Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
1. Administration	146 293	75 453	52	145 288	99	206 732	76 556	37
2. Social Welfare Services	389 037	194 932	50	388 981	100	449 804	182 416	41
3. Development and Research	122 550	54 632	45	121 514	99	111 565	36 978	33
Subtotal	657 880	325 017	49	655 783	100	768 101	295 950	39
Direct charges against the Provincial Revenue Fund	852	-	-	1 242	146%	242	241	100%
Total	658 732	325 017	49	657 025	100	768 343	296 191	39
Economic classification								
Current payments	349 027	172 588	49	366 436	105	423 170	175 848	42
Compensation of employees	193 085	91 354	47	198 882	103	277 853	116 128	42
Goods and services	155 942	81 234	52	167 485	107	145 317	59 720	41
Financial transactions in assets and liabilities				69				69
Transfer payment and subsidies	263 079	139 079	53	253 356	96	264 791	102 031	39
Non-profit institutions	242 171	139 077	57	232 978	96	262 439	100 659	38
Households	20 908	2	0	20 378	97	2 352	1 372	58
Payments for capital assets	46 626	13 350	29	37 233	80	80 382	18 312	2
Buildings and other fixed structures	19 035	2 076	11	18 458	97	54 856	13 955	25
Machinery and equipment	27 591	11 274	41	16 355	59	25 526	4 357	17
Software and other intangible assets				2 420				-
Total payments	658 732	325 017	49	657 025	100	768 343	296 191	39

Main expenditure trends for the first half of 2009/10

The aggregate expenditure for 2008/09 was 100 percent of the adjusted appropriation. The Department spent R296.191 million in the first six months of 2009/10 financial year, which represents 39 percent of the adjusted budget of 2009/10 financial year. This spending is R28.826 million less than 2008/09 financial year's spending of R325.017 million for the same period.

Programme 2 Social Welfare Services and Programme 3 Development and Research recorded less spending of R12.516 million and R17.654 million respectively compared to 2008/09 financial year's spending for the same reporting period. The decrease in spending is due to delays in transfer of fund to NPO's and NGO's.

Spending on compensation of employees increased by R24.864 million as at September 2009 compared to 2008/09 spending of the same period while goods and services decreased by R21.514 million as compared to 2008/09 spending for the same reporting period. The department implemented cost curtailment on filling of less critical posts.

Departmental receipts

Table 13.6: Receipts

R thousand	2008/09					2009/10			
	Adjusted estimate	Receipts outcome			Preliminary receipts				
		Apr '08 - Sep '08	Apr '08 - Sep '08 % of adjusted estimates	Apr '08-Mar '09	Apr '08-Mar '09 % of adjusted estimates	Budget estimate	Adjusted estimates	Apr 09-Sep 09	% of Adjusted estimates
Departmental receipts	3 315	2 054	62	3 203	97	1 927	1 656	894	54
Sales of goods and services other than capital assets	289	144	50	305	106	204	334	176	53
Interest, dividends and rent on land	2 721	1 519	56	2 472	91	1 680	1 184	584	49
Sales of capital assets		88		105			7	7	100
Financial transactions in assets and liabilities	305	303	99	321	105	43	131	127	97
Total	3 315	2 054	62	3 203	97	1 927	1 656	894	54

Departmental Revenue Trends

Departmental revenue collection in the first six months of 2009/10 financial was R 0.894 million, or 53.7 percent of the adjusted revenue estimate of R 1.656 million for the year as a whole. In comparison, mid-year revenue collection in 2008/09 was R 2.054 million, or 62 percent of the 2008/09 adjusted estimate.

Interest on bank constituted 74 percent of total revenue collected by mid-year of 2008/09 financial year. Departmental revenue collection in the first six months of 2009/10 decreased by R1.160 million or 129.8 percent to revenue collected in the first six months of 2008/09 which is attributable to a decline in interest on bank by 160 percent in 2009/10 financial year.

Changes to transfers and subsidies, and conditional grants

Table 13.7: Summary of changes to transfers and subsidies per programme

R Thousand	Main Appropriation	Additional appropriation					Total Additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ Unavoidable	Virement	Additional National Grants	Other provincial Adjustments		
1. Administration	17 635	-	-	(15 283)	-	-	(15 283)	2 352
Corporate Management Services	17 635			(15 283)			(15 283)	2 352
Subtotal Administration	17 635	-	-	(15 283)	-	-	(15 283)	2 352
2. Social Welfare Services	243 150	-	-	-	-	-	-	243 150
Substance Abuse, Prevention and Rehabilitation	5 755			-			-	5 755
Care and Services to Older Persons	25 128			-			-	25 128
Crime Prevention and Support	2 320			-			-	2 320
Services to Persons with Disabilities	23 496			-			-	23 496
Child Care and Protection Services	119 942			-			-	119 942
Victim Empowerment	4 912			-			-	4 912
Hiv and Aids	59 375			-			-	59 375
Care and Support Services to Families	2 222			-			-	2 222
Subtotal Social Welfare Services	243 150	-	-	-	-	-	-	243 150
3. Development and Research	34 789	-	-	(15 500)	-	-	(15 500)	19 289
Youth Development	26 289			(12 000)			(12 000)	14 289
Sustainable Livelihood	8 500			(3 500)			(3 500)	5 000
Subtotal Development and Research	34 789	-	-	(15 500)	-	-	(15 500)	19 289
Total	295 574	-	-	(30 783)	-	-	(30 783)	264 791

Human Settlements

Adjusted Budget Summary

Table 14.1: Adjusted Budget Summary

R thousand	2009/10			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	968 727	969 319	-	592
<i>of which:</i>				
Current payments	140 160	139 682	(478)	-
Transfers and subsidies	813 297	813 297	-	-
Payments for capital assets	15 270	16 340	-	1 070
Statutory Amount	-	1 460	-	1 460
Provincial Revenue Fund				
Executive authority	MEC for Human Settlements			
Accounting officer	Deputy Director-General of Human Settlements			

Summary of Revenue

Table 14.2: Summary of Receipts

R Thousand	2009/10 Main Appropriation	2009/10 Adjustment Appropriation						Total Additional Appropriation	2009/10 Adjusted Budget
		2008/09 Rollover	Unforeseeable/ unavoidable	Virement	Function Shifts	Additional National Grants	Other provincial Adjustments		
Equitable Share	158 818	-	-	-	6 144	-	(5 552)	592	159 410
Conditional grants	795 447	-	-	-	-	-	-	-	795 447
Own Revenue	14 462	-	-	-	-	-	-	-	14 462
Total Revenue	968 727				6 144		(5 552)	592	969 319

Mission

To provide for the facilitation of the development of integrated sustainable human settlements

Changes to programme purposes, objectives and measures

Programme 2: Housing, Needs, Research and Planning

An additional amount of R1.546 million will be allocated to the Department from the Department of Cooperative Governance and Traditional Affairs in respect of Water for All flagship.

Adjusted Estimates of Provincial Expenditure 2009

R Thousand	Main Appropriation	Additional appropriation					Total	Adjusted appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virement shifts	Function shifts	Additional National Grants			Other Provincial Adjustments
1. Administration	73 410	-	-	745	3 763	-	3 975	8 483	81 893
2. Housing, Needs, Research and Planning	34 929	-	-	(745)	921	-	(5 301)	(5 125)	29 804
3. Housing, Development, Implementation, Planning and Targets	807 055	-	-	28 728	-	-	(4 226)	24 502	831 557
4. Housing Asset Management	53 333	-	-	(28 728)	-	-	-	(28 728)	24 605
Subtotal	968 727	-	-	-	4 684	-	(5 552)	(868)	967 859
Statutory Amount					1 460			1 460	1 460
Total	968 727	-	-	-	6 144	-	(5 552)	592	969 319
Economic classification									
Current payments	140 160			(445)	6 144		(6 177)	(478)	139 682
Compensation of employees	98 017			(1 695)	4 141		(10 152)	(7 706)	90 311
Goods and services	42 143			1 250	2 003		3 975	7 228	49 371
Transfer payment and subsidies	813 297								813 297
Public corporations and private enterprises	17 850				1 000			1 000	18 850
Households	795 447				(1 000)			(1 000)	794 447
Payments for capital assets	15 270			445	-	-	625	1 070	16 340
Buildings and other fixed structures	12 000						625	625	12 625
Machinery and equipment	3 270			445				445	3 715
Total payments	968 727	-	-	-	6 144	-	(5 552)	592	969 319

Details of Adjustments to Estimates of Provincial Expenditure 2009

Unforeseeable and unavoidable expenditure –R3.975 million

The amount of R3.975 million was allocated for the lease of office space which was not budgeted for.

Virement

Table 14.4: Details on virements per programme and economic classification

Programme					
1. Administration					
From	Motivation	R thousand	To	Motivation	R thousand
1. Administration					
Compensation of employees	Vacant funded posts not filled	(750)	Goods and services	To cover litigation costs in Legal Services	750
Compensation of employees	Vacant funded posts not filled	(200)	Machinery and Equipment	To purchase computer equipment for new employees	200
TOTAL:		(950)	TOTAL:		950
2. Housing Needs, Research and Planning					
Compensation of employees	Vacant funded posts not filled	(500)	Goods and services	To cover litigation costs in Legal Services	500
Compensation of employees	Vacant funded posts not filled	(245)	Machinery and Equipment	To purchase computer equipment for new employees	245
TOTAL:		(745)	TOTAL:		745

Table 14.4:Details on virements per programme and economic classification

From			To		
Programme / Economic classification	Motivation	R thousand		Motivation	R thousand
3. Housing Development,			4. Housing Asset Mangement		
Transfer and Subsidies Public corporations and private enterprises	Incorrectly Allocated	(17 850)	Transfer and Subsidies Public corporations and private enterprises	Corrections of allocation	17 850
TOTAL:		(17 850)			17 850
4. Housing Asset Mangement			3. Housing Development, Implementation, Planning and Targets		
Transfer and Subsidies Households	Incorrect Allocated	(46 578)	Transfer and Subsidies Household	Corrections of allocation	46 578
TOTAL:		(46 578)	TOTAL:		46 578
Total for vote:		(66 123)			66 123

Other adjustments R00.million

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

Programme 1: Administration

An additional amount of R5.223 million will be allocated to the Department from the Department of Public Works, Roads and Transport in order to create an office for the Executing Authority.

Programme 2

An additional amount of R1.546 million will be allocated to the Department from the Department of Cooperative Governance and Traditional Affairs in respect of Water for All flagship.

Declared savings

Programme 2: Housing Needs, Research and Planning

The department has identified a savings under this programme on compensation of employees, amounting to R5.926 million which will be surrendered to assist with budget shortfalls in the Department of Education.

Programme 3: Housing Development, Implementation, Planning and Targets

The department has identified a savings under this programme on compensation of employees, amounting to R4.226 million, which will be surrendered to assist with budget shortfalls in the Department of Education.

Amounts forming a director charge against the Provincial Revenue Fund – (R1.460 million)

The amount of R1.46 million is a statutory allocation for the Executing Authority. Previously the department did not have a dedicated Executing Authority.

Expenditure for 2008/09 and preliminary expenditure for 2009/10

Table 14.5: Expenditure Trends

R Thousand	2008/9					2009/10		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr '2008 - Sep '2008	Apr '08 - Sep '08 % of adjusted appropriation	Apr '2008 - Mar '2009	Apr '08 - Mar '09 % of adjusted appropriation	Adjusted appropriation	Apr '2009 - Sep '2009	Apr '09 - Sep '09 % of adjusted appropriation
1. Administration	45 796	20 167	44%	45 843	100%	77 673	34 977	45%
2. Housing Needs, Research and Planning	21 717	7 449	34%	15 057	69%	28 503	6 591	23%
3. Housing Development, Implementation, Plan	851 366	407 842	48%	851 426	100%	831 557	431 294	52%
4. Housing Asset Management	-	-	-	-	-	24 605	-	-
Subtotal	918 879	435 458	47%	912 326	99%	962 338	472 862	49%
Statutory Amount						1 460	-	0%
Total	918 879	435 458	47%	912 326	99%	963 798	472 862	49%
Economic classification								
Current payments	88 509	32 758	37%	81 849	92%	135 031	57 596	43%
Compensation of employees	61 011	23 174	38%	56 582	93%	90 135	36 337	40%
Goods and services	27 498	9 584	35%	25 267	92%	44 896	21 259	47%
Transfer payment and subsidies	818 669	396 035	48%	818 729	100%	813 297	412 438	51%
Public corporations and private enterprises	22 000	8 500	39%	22 000	100%	18 850	8 925	47%
Households	796 669	387 535	49%	796 729	100%	794 447	403 513	51%
Payments for capital assets	11 701	6 665	57%	11 748	100%	15 470	2 828	18%
Buildings and other fixed structures	8 033	5 991	75%	8 033	100%	12 000	-	0%
Machinery and equipment	3 607	621	17%	3 662	102%	3 470	2 828	81%
Software and other intangible assets	61	53	87%	53	87%	-	-	-
Total payments	918 879	435 458	47%	912 326	99%	963 798	472 862	49%

Selected expenditure trends for the first half of 2009/10

The overall department spending for the months under review is at 48.8 percent, compared to spending of 59.1 percent for similar months spending of 2008/09 financial year, which mean that the expenditure, decreased by 11 percent as compared to the last financial year at the same period, and also an analysis indicates that the first six months spending is below the norm of 50 percent taking in consideration the commitments and accruals from the 2008/09 financial year amounted to R1.646 million and R32.156 million respectively which was paid during these period.

Although the expenditure for the programme 3: Housing Development, Implementation and Planning is the highest spending at 53.4 percent (57 percent 2008/09), followed by Administration at 47.6 percent (48.6 percent 2008/09) while Housing Need, Research and planning at 18.9 percent (90.7percent 2008/09) and Housing Assets Management did not record any expenditure to date.

During the months under-review, the Current payment, which constitute of Compensation of Employees by 37.1 percent which show under spending of R6.787 million and Goods and Services is overspending by R1.858 .Whereas, Transfers and Subsidies recorded the highest at 50.7 percent due to the conditional grant expenditure and Payment of Capital Assets shows 18.5 percent spending for the period under review.

Departmental receipts

Table 14.6: Receipts

	2008/09					2009/10			
	Adjusted Estimate	Receipts outcome				Preliminary receipts			
		Apr '08 - Sep 08	April '08 - Sep '08 % of adjusted estimates	Apr '08 - Mar 09	April '08 - Mar '09 % of adjusted estimates	Budget estimates	Adjusted estimates	April '09 - Sep 09	% of Adjusted estimates
R thousand									
Departmental receipts	1 525	1 408	105%	3 183	209%	1 170	1 170	1 109	95%
Sales of goods and services other than capital assets	62	5	8%	41	66%	66	66	56	85%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	1 449	1 403	97%	3 133	216%	1 090	1 090	1 000	92%
Sales of capital assets	4		0%		0%	4	4	-	0%
Financial transactions in assets and liabilities	10		0%	9	90%	10	10	53	530%
Total	1 525	1 408	105%	3 183	209%	1 170	1 170	1 109	95%

Main departmental revenue trends for the first half of 2009/10

Department revenue collection in the first six months of 2009/10 was R1.109 million or 95 percent of the adjusted revenue estimated of R1.170 million for the whole year. In comparison, mid-year revenue collection in 2008/09 was R1.408 million or 105 percent of the 2008/09 adjusted estimates. Departmental revenue collection in the first six months of 2009/10 has decreased by 10 percent, compared to revenue collected in the first six months of 2009/09. The main source of revenue in the department is on interest, dividend and rent on land category. The clearing of accruals has contributed to the reduction in interest generation on excess funds.

Changes to transfers and subsidies, and conditional grants

Table 14.7: Summary of changes to transfers and subsidies per programme

R Thousand	Main Appropriation	2009/10					Adjusted appropriation
		Additional appropriation					
		Roll-overs	Virement	Additional National Grants	Other provincial Adjustments	Total Additional appropriation	
3. Housing Development, Implementation, Planning and Targets							
Mpumalanga Housing Finance Company	17 850		(17 850)			(17 850)	-
Integrated Housing and Human Settlement Development Grant	742 114		46 578			46 578	788 692
4. Housing Asset Management							
Mpumalanga Housing Finance Company			18 850			18 850	18 850
Integrated Housing and Human Settlement Development Grant	53 333		(47 578)			(47 578)	5 755
Subtotal	813 297	-	-	-	-	-	813 297

Changes to conditional grants

Table 14.8: Summary of changes to conditional grants

		2009/10					
		Additional appropriation					
		Roll-overs	Virement	Additional	Other	Total	Adjusted
				National	provincial	Additional	
R Thousand	Main	Unforeseeable /Unavoidable		Grants	Adjustments	appropriation	appropriation
	Appropriation						
3. Housing Development, Implementation, Planing and Targets							
	IHSD Grant	742 114		47 578		-	-
						47 578	789 692
						-	-
4. Housing Asset Management							
	IHSD Grant	53 333		(47 578)		-	-
						(47 578)	5 755
Subtotal		795 447	-	-	-	-	795 447