

Summary of the 2023/24 Adjustments Estimate

1. Introduction

Table 1 provides a summary of the 2023/24 Adjustments Estimate. The main appropriation of R146.041 billion includes an amount of R145.592 billion that was appropriated by the KwaZulu-Natal Legislature, as well as a statutory amount of R89.303 million allocated under Vote 2: Provincial Legislature. The Adjustments Estimate process allows for amendments to be made to the main appropriation, and these amendments are contained in the 2023/24 Adjustments Estimate. The detail is provided per Vote in this publication and is summarised in this summary.

Table 1: Provincial budget summary

R thousand	Main appropriation	Additional appropriation					Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	122 424 751	174 844	-	766 627	86 047	3 769 625	4 797 143	127 221 894
Transfers and subsidies	13 856 570	418 961	-	113 323	(89 154)	15 810	458 940	14 315 510
Payment of capital assets	9 759 643	-	-	(881 175)	3 107	(324 359)	(1 202 427)	8 557 216
Payment of financial assets	-	-	-	1 225	-	-	1 225	1 225
Total expenses	146 040 964	593 805	-	-	-	3 461 076	4 054 881	150 095 845
Total receipts	146 152 803	-	-	-	-	2 515 505	2 515 505	148 668 308
Surplus/(Deficit) before financing	111 839	(593 805)	-	-	-	(945 571)	(1 539 376)	(1 427 537)
Financing of which:								
Provincial roll-overs		593 805					593 805	593 805
Allocations from provincial cash resources	327					788 805	788 805	789 132
Suspension to ensuing years	14 600					30 000	30 000	44 600
Surplus/(Deficit) after financing	126 766	-	-	-	-	(186 766)	(126 766)	-

The 2023/24 adjustments appropriation is increased by R4.055 billion, to the adjusted budget of R150.096 billion. The increase is mainly attributed to additional funding received from National Treasury for the 2023 wage agreement (funds for this are only provided for Education and Health). There were also conditional grant roll-overs, as well as allocations made from provincial cash resources. Offsetting this, was a fiscal consolidation budget cut of R1.259 billion made by National Treasury against various conditional grants relating to lower than anticipated revenue collection via SARS.

When the 2023/24 Main Budget was tabled, an amount of R126.766 million was budgeted for as a Contingency Reserve. This amount, together with R222.550 million surrendered from various entities' uncommitted surpluses, and the positive audited net financial position of R1.118 billion realised at the end of 2022/23, meant that a total amount of R1.468 billion was available as provincial cash resources for allocation in this Adjustments Estimate. Vote 8: Human Settlements and Vote 12: Transport asked for revenue over-collections in the current year to be allocated back to them, and this made a further R73.895 million available. These amounts were allocated to various provincial commitments, including conditional grant roll-overs (R589.472 million), the payment of property rates (R470 million), the shortfall in learner transport services (R130 million), various commitments under Vote 2: Provincial Legislature (R60.122 million), budget pressures under Vote 13: Social Development (R47.888 million), among others. The own revenue of R7.564 million allocated back to Vote 8: Human Settlements was allocated to cater for spending pressures against operating leases for office buildings due to an escalation in lease rates, as well as the carry-through impact of the 2021/22 MTEF budget cut, while Vote 12: Transport received R66.295 million towards reimbursing registering authorities for the expenses they incur when acting as collection agencies for motor vehicle registering and licensing.

The province continues to remain cash positive, continuing a trend which first started in May 2010.

2. Sources of funding

The funding of additional expenditure of departments through the 2023/24 Adjustments Estimate is derived from provincial cash resources, the Contingency Reserve, approved conditional grant roll-overs, as well as additional Provincial Equitable Share (PES) funding received from National Treasury.

2.1 Transfers from National

Table 2 provides details of the adjusted provincial receipts for 2023/24, which is funding received from National Treasury.

Table 2 : Summary of provincial receipts

R thousand	Main appropriation	Additional appropriation					Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Transfer receipts from National	142 267 444	-	-	-	-	2 515 505	2 515 505	144 782 949
Equitable share	115 947 671					3 774 519	3 774 519	119 722 190
Conditional grants	26 319 773	-	-	-	-	(1 259 014)	(1 259 014)	25 060 759
Vote 3: Agriculture and Rural Development	325 205	-	-	-	-	(25 333)	(25 333)	299 872
CASP grant	230 574					(17 581)	(17 581)	212 993
Ilima/Letsema Projects grant	76 685					(6 500)	(6 500)	70 185
Land Care Programme grant	13 310					(800)	(800)	12 510
EPWP Integrated Grant for Provinces	4 636					(452)	(452)	4 184
Vote 4: Economic Dev., Tourism & Enviro Affairs	6 909	-	-	-	-	(673)	(673)	6 236
EPWP Integrated Grant for Provinces	6 909					(673)	(673)	6 236
Vote 5: Education	5 421 802	-	-	-	-	(318 157)	(318 157)	5 103 645
Education Infrastructure grant	2 934 750					(296 371)	(296 371)	2 638 379
HIV and AIDS (Life-Skills Education) grant	62 910					(3 088)	(3 088)	59 822
Maths, Science and Technology (MST) grant	70 193					(8 070)	(8 070)	62 123
National School Nutrition Programme (NSNP) grant	2 088 759					-	-	2 088 759
Learners with Profound Intellectual Disabilities grant	34 534					-	-	34 534
Early Childhood Development (ECD) grant	196 875					(8 349)	(8 349)	188 526
Social Sector EPWP Incentive Grant for Provinces	31 796					(2 279)	(2 279)	29 517
EPWP Integrated Grant for Provinces	1 985					-	-	1 985
Vote 7: Health	11 470 691	-	-	-	-	(367 281)	(367 281)	11 103 410
District Health Programmes grant	7 087 769					(275 411)	(275 411)	6 812 358
National Health Insurance grant	126 332					-	-	126 332
Social Sector EPWP Incentive Grant for Provinces	21 107					(1 513)	(1 513)	19 594
Human Resources and Training grant	764 447					-	-	764 447
National Tertiary Services grant	2 000 300					-	-	2 000 300
Health Facility Revitalisation grant	1 462 122					(90 357)	(90 357)	1 371 765
EPWP Integrated Grant for Provinces	8 614					-	-	8 614
Vote 8: Human Settlements	3 930 148	-	-	-	-	(424 746)	(424 746)	3 505 402
Human Settlements Development grant	3 132 253					(334 685)	(334 685)	2 797 568
EPWP Integrated Grant for Provinces	7 669					(748)	(748)	6 921
ISU Partnership grant	790 226					(89 313)	(89 313)	700 913
Vote 9: Community Safety and Liaison	3 847	-	-	-	-	(276)	(276)	3 571
Social Sector EPWP Incentive Grant for Provinces	3 847					(276)	(276)	3 571
Vote 10: Sport, Arts and Culture	294 877	-	-	-	-	(16 993)	(16 993)	277 884
EPWP Integrated Grant for Provinces	2 078					-	-	2 078
Community Library Services grant	189 050					(8 000)	(8 000)	181 050
Mass Participation and Sport Development grant	101 488					(8 831)	(8 831)	92 657
Social Sector EPWP Incentive Grant for Provinces	2 261					(162)	(162)	2 099
Vote 11: COGTA	1 960	-	-	-	-	-	-	1 960
EPWP Integrated Grant for Provinces	1 960					-	-	1 960
Vote 12: Transport	4 831 591	-	-	-	-	(103 488)	(103 488)	4 728 103
Provincial Roads Maintenance grant	3 394 685					(103 488)	(103 488)	3 291 197
EPWP Integrated Grant for Provinces	69 897					-	-	69 897
Public Transport Operations grant	1 367 009					-	-	1 367 009
Vote 13: Social Development	28 846	-	-	-	-	(2 067)	(2 067)	26 779
Social Sector EPWP Incentive Grant for Provinces	28 846					(2 067)	(2 067)	26 779
Vote 14: Public Works	3 897	-	-	-	-	-	-	3 897
EPWP Integrated Grant for Provinces	3 897					-	-	3 897
Provincial own receipts	3 885 359							3 885 359
Total	146 152 803	-	-	-	-	2 515 505	2 515 505	148 668 308
Total new receipts								2 515 505

National Treasury issued an allocation letter to the province in the 2023/24 Adjustments Estimate process, which saw the allocation of funds to the province for the 2023 wage agreement (for Education and Health only) amounting to R3.775 billion. National Treasury also made in-year fiscal consolidation budget cuts against the conditional grants amounting to R1.259 billion, and this affects a number of conditional grants, with the detail of the amounts cut being shown in the table above. In aggregate, there is a net increase of R2.516 billion in the funding received from National Treasury when taking into account the amendments made to the PES, offset by the conditional grant budget cuts.

National Treasury allocations for 2023 wage agreement

National Treasury allocated R3.775 billion to the province for the 2023 wage agreement, with these funds allocated only for Education and Health. The 2023 wage agreement was calculated to cost the

province R5.355 billion, and the amount allocated by National Treasury is significantly less than that. The 2023 wage agreement was calculated to cost Education and Health R4.827 billion, and the funds allocated by National Treasury thus provide only 78 per cent of the amount required by these two departments, while all other Votes are expected to absorb this cost from within their existing baselines.

3. 2023/24 Net financial position

KwaZulu-Natal continues to maintain a cash positive position, as it has since May 2010. It is expected that the province will remain cash positive in 2023/24, while cash blocking will be a key control in this regard. The net financial position of the province is used annually to determine the amount of provincial cash resources available for allocation in the Adjustments Budget. The province under-spent its 2022/23 budget allocation by R901.980 million, while provincial own revenue sources showed an over-collection of R231.060 million. After a few minor technical adjustments of R14.627 million, the province ended 2022/23 with a positive net financial position of R1.118 billion. The province also continued to budget for a Contingency Reserve in 2022/23, which was set at R126.766 million, while R222.550 million was surrendered in-year from various public entities' uncommitted cash surpluses to supplement the provincial Contingency Reserve. The entities that surrendered funds were the Dube TradePort Corporation (R100 million), the KZN Growth Fund Trust (R103.408 million), the Ithala Development Finance Corporation (R8.435 million) and the KZN Tourism Authority (R10.707 million). This meant that R1.468 billion was available from provincial cash resources to fund various provincial commitments. Vote 8: Human Settlements and Vote 12: Transport asked for revenue over-collections in the current year to be allocated back to them, and this made a further R73.895 million available, and if these amounts are added, then the provincial cash resources available for allocation in this Adjustments Estimate amounted to R1.542 billion.

In aggregate, departments and public entities requested additional funding of R4.735 billion in-year relating to various budget pressures. As only R1.542 billion was available to be allocated, many of these additional funding requests could not be considered in this Adjustments Estimate.

The provincial cash resources were used to fund the following:

- R589.472 million was allocated to fund the conditional grant roll-overs from 2022/23 which were approved by National Treasury.
- R38.914 million had to be returned to the National Revenue Fund where National Treasury did not approve the roll-over of conditional grant funds, either because the funds were not committed, or the funds were being requested to be rolled over for a second time.
- R30 million was allocated to Vote 1: Office of the Premier for legal fees for His Majesty, the King.
- R60.122 million was allocated to Vote 2: Provincial Legislature being unspent operational funds (R26.205 million) retained from the prior year in line with the Financial Management for Parliament and Provincial Legislatures Act (FMPPLA), the revenue over-collection from the prior year (R3.502 million), as well as funds allocated to fund the Statutory allocation for MPLs' remuneration (R7.415 million). This relates to the increases MPLs received in the current year, backdated to 1 April 2022, as well as exit packages where MPLs have exited. This amount relates to over-spending against the direct charge in 2021/22 (R941 000), in 2022/23 (R1.107 million) and in 2023/24 (R5.767 million). Of this, only the 2023/24 amount is included in this Adjustments Estimate, while the balance will be transferred to the Legislature's bank account to cover the over-spending of the direct charge from the two prior years. The Legislature also received R15 million towards voter education activities in the lead up to the 2024 general elections, as well as R8 million toward purchasing a new Enterprise Resource Planning (ERP) system to replace the current SAP system.
- R97 million was allocated to Vote 5: Education for electricity costs.
- R1.837 million was allocated to Vote 8: Human Settlements as the department under-spent against the donor funding received in the prior year towards the April 2022 flood disaster response. These donor funds were not fully spent in 2022/23 and are therefore rolled over for spending in 2023/24.

- R2.496 million was allocated Vote 11: Co-operative Governance and Traditional Affairs (COGTA). These funds were received from the African Union (AU) in 2022/23 towards the April 2022 flood disaster response. These funds were allocated to Vote 1: Office of the Premier in 2022/23 but were not spent by year-end. A decision was taken to roll over these unspent funds for Vote 11: COGTA to roll out water provision services relating to the April 2022 flood disaster in 2023/24.
- R130 million was allocated to Vote 12: Transport towards budget pressures in providing learner transport services. This allocation is not for the expansion of the service, but to cover current costs which are under pressure because the baseline for this service requires correcting, as well as the impact of fuel price increases.
- R47.888 million was allocated to Vote 13: Social Development towards budget pressures arising from previous fiscal consolidation budget cuts which the department has found difficult to fully adapt to, aggravated by the unfunded 2023 wage agreement.
- R470 million was allocated to Vote 14: Public Works towards budget pressures in the payment of property rates. This allocation takes into account that the baseline for these payments requires correcting, as well as the fact that there was an escalation in municipal property rates as a result of the implementation of the new General Valuation Rolls by some municipalities.
- R7.564 million was allocated to Vote 8: Human Settlements from revenue collected in the current year from the sale of units at Ridgeview Gardens, as well as recalling unspent funds that had previously been transferred to various municipalities for the implementation of projects. The projects were completed, but there were minor unspent balances. These funds will be used to cater for spending pressures against operating leases for office buildings due to an escalation in lease rates, as well as the carry-through impact of the 2021/22 MTEF budget cuts.
- R66.295 million was allocated to Vote 12: Transport from revenue collected in the current year towards reimbursing registering authorities for the expenses they incur when acting as collection agencies for motor vehicle registering and licensing.

3.1 Suspension of funds

There are three suspensions of funds included in the Adjustments Estimate, detailed as follows:

- Vote 1: Office of the Premier had requested during the 2022/23 Second Adjustments Estimate, that R30 million be suspended from their Vote in that year, but to be allocated back to their Vote in the 2023/24 Adjustments Estimate for the provincial Broadband Connectivity project.
- Vote 6: Provincial Treasury suspended an amount of R5 million from their Vote and allocated it to Vote 14: Public Works for the government precinct PPP Transaction Advisor costs.
- The Honourable Premier made a commitment in her State of the Province Address (SOPA) earlier this year that the province would take serious steps towards fighting crime. In this regard, she mandated that departments would each contribute R10 million towards this, while public entities would also contribute. As such, R10 million is suspended from various Votes with a total value of R100 million made available in this regard. Public entities contribute a further R21.224 million, thus making a total of R121.224 million available. These funds are allocated to Vote 9: Community Safety and Liaison to be used for various crime fighting activities, jointly with the South African Police Service. The approach includes strengthening the functioning and visibility of community safety structures, providing technological support, infrastructure improvement, strengthening social crime prevention, among others. The detail of which Vote and public entity saw a reduction in their budgets is provided in each department's chapter.

4. 2022/23 unspent conditional grants

This section provides more detail in terms of the unspent conditional grants approved for roll-over, as well as the amounts that have to be paid back to National Treasury where approval for roll-over was not received. In aggregate, the province recorded net under-expenditure of R628.386 million on the

conditional grants received for 2022/23. These funds cannot be used for any other purpose and, if not rolled over, then the unspent portion must be surrendered to the National Revenue Fund. National Treasury approved the roll-over of R589.472 million and the balance of the under-spent conditional grant allocation, amounting to R38.914 million, had to be repaid to the National Revenue Fund.

The approved roll-overs per conditional grant are, as follows:

- The **National School Nutrition Programme grant** under Vote 5: Education under-spent by R141.195 million and the full amount was approved for roll-over.
- The **Human Settlements Development grant** under Vote 8: Human Settlements under-spent by R360.340 million and the full amount was approved for roll-over.
- The **Informal Settlements Upgrading Partnership grant** under Vote 8: Human Settlements under-spent by R32.276 million and the full amount was rolled over.
- The **Provincial Emergency Housing grant** under Vote 8: Human Settlements under-spent by R23.849 million and the full amount was rolled over.
- The **Provincial Roads Maintenance grant** under Vote 12: Transport under-spent by R31.812 million and the full amount was rolled over.

Some conditional grant amounts were not approved for roll-over and these funds have to be surrendered to National Treasury:

- R95 000 for the EPWP Integrated Grant for Provinces under Vote 4: Economic Development, Tourism and Environmental Affairs.
- R38.804 million for the Early Childhood Development grant under Vote 5: Education
- R7 000 for the HIV and AIDS (Life-Skills Education) grant under Vote 5: Education.
- R3 000 for the Social Sector EPWP Incentive Grant for Provinces under Vote 5: Education.
- R5 000 for the Community Library Services grant under Vote 10: Sport, Arts and Culture.

5. Summary of adjustments allocations

Table 3 provides a summary of the additional funds allocated to the various provincial departments from National Treasury, as well as from provincial cash resources and forms the basis of the 2023/24 Adjustments Estimate. The table also includes the fiscal consolidation budget cuts made by National Treasury against various conditional grants as a result of lower than anticipated revenue collection *via* SARS. The table furthermore captures the movement of funds from various departments and public entities and allocated to Vote 9: Community Safety and Liaison with respect to the provincial Crime Fighting Initiative, as announced by the Honourable Premier in SOPA, 2023.

Further details of these adjustments, which resulted in an overall increase of R4.055 billion, are provided under the specific department's chapter.

These adjustments include conditional grant roll-overs, additional funding provided to departments, as well as funding shifted between Votes.

A number of departments show a reduction in allocation as a result of in-year fiscal consolidation budget cuts made against the conditional grant allocation, as explained, as well as reductions made towards allocating funds to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative. With respect to the departments that show a net increase in their allocation, the largest increase is shown by Vote 5: Education (R2.215 billion) and Vote 7: Health (R1.093 billion) mainly for the 2023 wage agreement, with these funds received from National Treasury. The next highest increase is shown by Vote 14: Public Works (R475 million) mainly due to additional funds received from provincial cash resources towards the property rates pressures.

2023/24 Adjustments Estimate Summary

Table 3 : Summary of adjustments for 2023/24

R thousand	Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments	Total adjustment
Vote 1: Office of the Premier	-	-	-	-	50 000	50 000
Funds suspended from 22/23 for Broadband project					30 000	30 000
Legal fees for the Royal Household					30 000	30 000
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Vote 2: Provincial Legislature	-	-	-	-	58 074	58 074
Operational under-spending from 22/23					26 205	26 205
Revenue over-collection from 22/23					3 502	3 502
MPLs increases and exit packages to date					5 367	5 367
Funds for voter education					15 000	15 000
ERP system to replace SAP					8 000	8 000
Vote 3: Agriculture and Rural Development	-	-	-	-	(36 333)	(36 333)
CG budget cuts: CASP grant					(17 581)	(17 581)
CG budget cuts: Ilima/Letsema Projects grant					(6 500)	(6 500)
CG budget cuts: Land Care Programme grant					(800)	(800)
CG budget cuts: EPWP Integrated Grant for Provinces					(452)	(452)
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Reduction in trf to ADA for Crime Fighting Initiative to Vote 9					(1 000)	(1 000)
Vote 4: Economic Dev., Tourism & Enviro Affairs	-	-	-	-	(22 147)	(22 147)
CG budget cuts: EPWP Integrated Grant for Provinces					(673)	(673)
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Reduction in trf to TKZN for Crime Fighting Initiative to Vote 9					(700)	(700)
Reduction in trf to TIK for Crime Fighting Initiative to Vote 9					(1 424)	(1 424)
Reduction in trf to KZNGBB for Crime Fighting Initiative to Vote 9					(100)	(100)
Reduction in trf to DTTC for Crime Fighting Initiative to Vote 9					(1 250)	(1 250)
Reduction in trf to RBIDZ for Crime Fighting Initiative to Vote 9					(2 000)	(2 000)
Reduction in trf to KZNGFT for Crime Fighting Initiative to Vote 9					(2 000)	(2 000)
Reduction in trf to KZNFC for Crime Fighting Initiative to Vote 9					(4 000)	(4 000)
Vote 5: Education	141 195	-	-	-	2 073 466	2 214 661
NSNP grant roll-over	141 195					141 195
Electricity costs following disconnections					97 000	97 000
2023 wage funds from National Treasury					2 304 623	2 304 623
CG budget cuts: ECD grant (Maintenance component)					(8 349)	(8 349)
CG budget cuts: Education Infrastructure grant					(296 371)	(296 371)
CG budget cuts: HIV and AIDS (Life Skills Education) grant					(3 088)	(3 088)
CG budget cuts: Maths, Science and Technology grant					(8 070)	(8 070)
CG budget cuts: Social Sector EPWP Incentive Grant for Provinces					(2 279)	(2 279)
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Vote 6: Provincial Treasury	-	-	-	-	(15 000)	(15 000)
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Government precinct PPP Transaction Advisor - funds suspended to Vote 14: DOPW					(5 000)	(5 000)
Vote 7: Health	-	-	-	-	1 092 615	1 092 615
2023 wage funds from National Treasury					1 469 896	1 469 896
CG budget cuts: District Health grant (HIV/AIDS component)					(275 411)	(275 411)
CG budget cuts: Health Facility Revitalisation grant					(90 357)	(90 357)
CG budget cuts: Social Sector EPWP Incentive Grant for Provinces					(1 513)	(1 513)
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Vote 8: Human Settlements	418 302	-	-	-	(417 182)	1 120
HSDG roll-over	360 340					360 340
ISUPG roll-over	32 276					32 276
PEHG roll-over	23 849					23 849
Re-allocation of funds from sale of units at Ridgeview and recalled from municipalities					7 564	7 564
CG budget cuts: HSDG					(334 685)	(334 685)
CG budget cuts: ISUPG					(89 313)	(89 313)
CG budget cuts: EPWP Integrated Grant for Provinces					(748)	(748)
R/over donor funding for April 2022 floods	1 837					1 837
Vote 9: Community Safety and Liaison	-	-	-	-	120 948	120 948
CG budget cuts: Social Sector EPWP Incentive Grant for Provinces					(276)	(276)
Crime Fighting Initiative (funds from other Votes and entities)					121 224	121 224
Vote 10: Sport, Arts and Culture	-	-	-	-	(26 993)	(26 993)
CG budget cuts: Community Library Services grant					(8 000)	(8 000)
CG budget cuts: MPSD					(8 831)	(8 831)
CG budget cuts: Social Sector EPWP Incentive Grant for Provinces					(162)	(162)
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Vote 11: Co-operative Governance and Traditional Affairs	2 496	-	-	-	(10 000)	(7 504)
R/over AU donor funding for floods (from OTP)	2 496					2 496
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Vote 12: Transport	31 812	-	-	-	82 807	114 619
PRMG roll-over	31 812					31 812
CG budget cuts: PRMG					(103 488)	(103 488)
Agency receipts collected to date					66 295	66 295
Learner transport budget pressures					130 000	130 000
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Vote 13: Social Development	-	-	-	-	35 821	35 821
CG budget cuts: Social Sector EPWP Incentive Grant for Provinces					(2 067)	(2 067)
Allocation towards budget pressures					47 888	47 888
Crime Fighting Initiative to Vote 9					(10 000)	(10 000)
Vote 14: Public Works	-	-	-	-	475 000	475 000
Property rates pressures					470 000	470 000
Govt. precinct PPP Transaction Advisor - funds suspended from Vote 6: Prov. Treas.					5 000	5 000
Total	593 805	-	-	-	3 461 076	4 054 881

The adjustments per category are discussed as follows:

Roll-overs: The total amount rolled over from 2022/23 to 2023/24 mainly relates to the conditional grant roll-overs, as explained. The amount rolled over in this regard was R589.472 million, as detailed earlier. Funds were also rolled over with respect to donor funds received in 2022/23 towards the April 2022 flood disaster response. While these funds were allocated to various Votes in 2022/23, a portion remained unspent at year-end. These funds are rolled over to 2023/24. In this regard, Vote 8: Human Settlements receives a roll-over of R1.837 million, while Vote 11: COGTA receives a roll-over of R2.496 million. Thus the total amount rolled over from 2022/23 was R593.805 million.

Other adjustments: Funds were allocated to various provincial pressures, with these being funded from provincial cash resources and additional funding from National Treasury. This column also includes the suspension of funds from the prior year, as well as between Votes. The *Other adjustments* are detailed, as follows:

- *Office of the Premier* – the department had requested that funds be suspended from their Vote in 2022/23 for re-allocation in 2023/24 for spending on the Broadband Connectivity project. Funds are also allocated to this Vote for legal fees for His Majesty, the King. Finally, funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.
- *Provincial Legislature* – receives funds relating to their unspent operational budget retained from the prior year in line FMPPLA, the revenue over-collection from the prior year, as well as funds allocated to fund the Statutory allocation for MPLs’ remuneration. This relates to the increases MPLs received in the current year, backdated to 1 April 2022, as well as exit packages where MPLs have exited. The Legislature also received funds towards voter education activities in the lead up to the 2024 general elections, as well as toward purchasing a new ERP system to replace the current SAP system.
- *Agriculture and Rural Development* – funds are cut from various conditional grants in line with National Treasury’s in-year fiscal consolidation budget cuts. Also, funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative. The funds were suspended from the Vote itself, as well as by effecting a cut against the transfer to its entity (the Agri-business Development Agency).
- *Economic Development, Tourism and Environmental Affairs* – funds are cut from the department’s conditional grant allocation in line with National Treasury’s in-year fiscal consolidation budget cuts. Also, funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative. The funds were suspended from the Vote itself, as well as by effecting cuts against the transfer to some of its public entities.
- *Education* – the department receives funding mainly for the 2023 wage agreement, as well as towards budget pressures in the payment of their electricity costs. Funds are cut from various conditional grants in line with National Treasury’s in-year fiscal consolidation budget cuts. Also, funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.
- *Provincial Treasury* – funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative. Funds are also suspended from this Vote and allocated to Vote 14: Public Works relating to the costs of the Transaction Advisors with respect to the government precinct project.
- *Health* – the department receives funding for the 2023 wage agreement, while funds are cut from various conditional grants in line with National Treasury’s in-year fiscal consolidation budget cuts. Also, funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.
- *Human Settlements* – the department receives funding allocated back to the department in respect of revenue over-collected from the sale of housing units and re-calling unspent funds from

municipalities. Funds are cut from various conditional grants in line with National Treasury's in-year fiscal consolidation budget cuts.

- *Community Safety and Liaison* – funds are cut from the department's conditional grant allocation in line with National Treasury's in-year fiscal consolidation budget cuts, while a significant amount of funds is allocated to this Vote, suspended from other Votes and from public entities, towards the provincial Crime Fighting Initiative.
- *Sport, Arts and Culture* – funds are cut from various conditional grants in line with National Treasury's in-year fiscal consolidation budget cuts. Also, funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.
- *COGTA* – funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.
- *Transport* – the department receives funds towards budget pressures in providing learner transport services. This allocation is not for the expansion of the service, but to cover current costs which are under pressure because the baseline for this service requires correcting, as well as the impact of fuel price increases. The department receives an allocation with respect to funds re-allocated to the department from agency receipts collected to date, for payment to the registering authorities. On the other hand, funds are cut from the department's conditional grant allocation in line with National Treasury's in-year fiscal consolidation budget cuts, while funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.
- *Social Development* – the department receives funding towards budget pressures arising from previous fiscal consolidation budget cuts which the department has found difficult to fully adapt to, aggravated by the unfunded 2023 wage agreement. On the other hand, funds are cut from the department's conditional grant allocation in line with National Treasury's in-year fiscal consolidation budget cuts, while funds are suspended from this Vote and allocated to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.
- *Public Works* – the department receives funding towards budget pressures in the payment of property rates. This allocation takes into account that the baseline for these payments requires correcting, as well as the fact that there was an escalation in municipal property rates as a result of the implementation of the new General Valuation Rolls by some municipalities. The department also receives funds, suspended from Vote 6: Provincial Treasury, relating to the costs of the Transaction Advisors with respect to the government precinct project.

Further to the additional allocation received by the departments, as highlighted in the above sections, departments have moved funds between programmes, sub-programmes and economic classifications. In most instances, these movements are within the prescripts governing the limitations to which Accounting Officers and Provincial Treasury may approve the movement of funds to utilise savings in one area to offset excess expenditure in another area.

In cases where these limitations are exceeded, the approval of the Legislature is required and these are therefore highlighted in this Adjustments Estimate. These movements are fully explained under each Vote in Section 2 of this document.

6. Expenditure

Tables 4 and 5 present a summary of the adjusted appropriation by Vote and economic classification, after taking all adjustments into account.

Table 4 : Expenditure summary by Vote

R thousand	Main appropriation	Additional appropriation					Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Office of the Premier	872 057	-	-	-	-	50 000	50 000	922 057
2. Provincial Legislature	658 734	-	-	-	-	52 707	52 707	711 441
3. Agriculture and Rural Development	2 515 153	-	-	-	-	(36 333)	(36 333)	2 478 820
4. Economic Dev., Tourism and Enviro Affairs	3 406 530	-	-	-	-	(22 147)	(22 147)	3 384 383
5. Education	60 637 286	141 195	-	-	-	2 073 466	2 214 661	62 851 947
6. Provincial Treasury	678 910	-	-	-	-	(15 000)	(15 000)	663 910
7. Health	50 687 512	-	-	-	-	1 092 615	1 092 615	51 780 127
8. Human Settlements	4 342 997	418 302	-	-	-	(417 182)	1 120	4 344 117
9. Community Safety and Liaison	250 608	-	-	-	-	120 948	120 948	371 556
10. Sport, Arts and Culture	1 492 804	-	-	-	-	(26 993)	(26 993)	1 465 811
11. Co-operative Governance and Traditional Affairs	2 443 013	2 496	-	-	-	(10 000)	(7 504)	2 435 509
12. Transport	12 966 847	31 812	-	-	-	82 807	114 619	13 081 466
13. Social Development	3 260 255	-	-	-	-	35 821	35 821	3 296 076
14. Public Works	1 738 955	-	-	-	-	475 000	475 000	2 213 955
Sub-total	145 951 661	593 805	-	-	-	3 455 709	4 049 514	150 001 175
Statutory payments	89 303	-	-	-	-	5 367	5 367	94 670
Total	146 040 964	593 805	-	-	-	3 461 076	4 054 881	150 095 845
Amount to be voted								4 049 514

Table 5 : Expenditure summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	122 335 448	174 844	-	766 627	86 047	3 764 258	4 791 776	127 127 224
Compensation of employees	89 763 853	-	-	(72 668)	1 318	3 775 708	3 704 358	93 468 211
Goods and services	32 570 980	174 844	-	837 058	84 729	(11 450)	1 085 181	33 656 161
Interest and rent on land	615	-	-	2 237	-	-	2 237	2 852
Transfers and subsidies to:	13 856 570	418 961	-	113 323	(89 154)	15 810	458 940	14 315 510
Provinces and municipalities	1 510 300	2 496	-	325 262	2 000	463 401	793 159	2 303 459
Departmental agencies and accounts	2 487 443	-	-	(112 044)	11 546	(22 077)	(122 575)	2 364 868
Higher education institutions	6 382	-	-	(1 270)	-	-	(1 270)	5 112
Foreign governments and international organisations	313	-	-	-	-	-	-	313
Public corporations and private enterprises	1 718 004	-	-	105 767	111 230	(4 604)	212 393	1 930 397
Non-profit institutions	3 933 306	-	-	(150 790)	(208 916)	(16 000)	(375 706)	3 557 600
Households	4 200 822	416 465	-	(53 602)	(5 014)	(404 910)	(47 061)	4 153 761
Payments for capital assets	9 759 643	-	-	(881 175)	3 107	(324 359)	(1 202 427)	8 557 216
Buildings and other fixed structures	8 614 781	-	-	(898 845)	(20 900)	(402 942)	(1 322 687)	7 292 094
Machinery and equipment	1 124 401	-	-	17 969	25 278	68 415	111 662	1 236 063
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	630	-	-	(340)	-	-	(340)	290
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	19 831	-	-	41	(1 271)	10 168	8 938	28 769
Payments for financial assets	-	-	-	1 225	-	-	1 225	1 225
Sub-total	145 951 661	593 805	-	-	-	3 455 709	4 049 514	150 001 175
Statutory payments	89 303	-	-	-	-	5 367	5 367	94 670
Total	146 040 964	593 805	-	-	-	3 461 076	4 054 881	150 095 845
Amount to be voted								4 049 514

It is noted that the following definitions/guidelines are applicable to determine the type/category of adjustments reflected under the various columns in all Expenditure tables in this document:

Roll-overs: Funds from 2022/23 that were committed but not spent in that year, and are to be re-appropriated in 2023/24.

Unforeseeable/unavoidable: Expenditure that could not be anticipated at the time of finalising the 2023/24 main budget.

Virement: The utilisation of savings or under-spending under one main division/ sub-division/ economic classification of a Vote toward the defrayment of excess expenditure under another main division/ sub-division/ economic classification of the same Vote. That is, the original purpose of the funds has changed.

Shifts: The re-allocation of funds incorrectly allocated during the 2023/24 EPRE budget process, or where the funds are shifted due to the re-classification of expenditure (e.g. in line with SCOA definitions). This also includes functions shifted within a Vote to follow the internal transfer of functions (e.g. from one programme to another). That is, the original purpose of the funds remains the same.

Other adjustments:

Any additional funding allocated to the department during the year, other than roll-overs. This category also includes funds shifted between Votes to follow the transfer of functions (i.e. function shifts between departments), funds suspended to other financial years, funds surrendered by various Votes for allocation towards the provincial Crime Fighting Initiative and surrendered funds. This category includes the additional funds received from National Treasury toward the 2023 wage agreement, as well as the fiscal consolidation budget cuts made against various conditional grants.

The amount reflected against *Statutory payments* is the remuneration of the Members of the Legislature.

7. Infrastructure

Tables 6 and 7 show the summary of the adjusted infrastructure budgets by Vote and main category. Further details are provided under each Vote in Section 2. Table 7 also reflects that departments have made adjustments against the various categories.

In aggregate, infrastructure spending is set to decrease to R18.795 billion from the original budget of R19.519 billion, a decrease of R724.011 million. Legislature approval is required for the reduction in *Capital* reflected in the Virement column, and this is indicated against each Vote.

Table 6 : Summary of infrastructure expenditure by vote

R thousand	Main appropriation	Additional appropriation					Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Office of the Premier	19 291	-	-	(478)	-	-	(478)	18 813
2. Provincial Legislature	13 232	-	-	-	-	7 000	7 000	20 232
3. Agriculture and Rural Development	227 536	-	-	(22 403)	-	(15 891)	(38 294)	189 242
4. Economic Dev., Tourism and Enviro Affairs	96 024	-	-	(58 937)	130 273	(10 000)	61 336	157 360
5. Education	3 468 474	-	-	7 000	-	(304 720)	(297 720)	3 170 754
6. Provincial Treasury	22 702	-	-	825	-	-	825	23 527
7. Health	2 244 061	-	-	8 661	-	(90 357)	(81 696)	2 162 365
8. Human Settlements	3 821 501	416 465	-	2 205	-	(405 040)	13 630	3 835 131
9. Community Safety and Liaison	12 945	-	-	-	-	-	-	12 945
10. Sport, Arts and Culture	180 779	-	-	-	5 800	(4 323)	1 477	182 256
11. Co-operative Governance and Traditional Affairs	125 162	2 496	-	37 891	-	-	40 387	165 549
12. Transport	9 097 786	31 812	-	(383 000)	-	(103 488)	(454 676)	8 643 110
13. Social Development	162 971	-	-	-	-	-	-	162 971
14. Public Works	26 684	-	-	19 198	-	5 000	24 198	50 882
Total	19 519 148	450 773	-	(389 038)	136 073	(921 819)	(724 011)	18 795 137
Amount to be voted								(724 011)

Table 7 : Summary of infrastructure expenditure by category

R thousand	Main appropriation	Additional appropriation					Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Existing infrastructure assets	11 104 389	31 812	-	(790 558)	15 649	(498 279)	(1 241 376)	9 863 013
Maintenance and repair: Current	3 735 174	31 812	-	231 879	26 700	(104 837)	185 554	3 920 728
Upgrades and additions: Capital	2 910 917	-	-	(872 187)	(20 900)	(69 869)	(962 956)	1 947 961
Refurbishment and rehabilitation: Capital	4 458 298	-	-	(150 250)	9 849	(323 573)	(463 974)	3 994 324
New infrastructure assets: Capital	1 245 566	-	-	123 592	(9 849)	(9 500)	104 243	1 349 809
Infrastructure transfers	3 830 444	418 961	-	184 095	130 273	(421 604)	311 725	4 142 169
Infrastructure transfers: Capital	3 784 295	418 961	-	180 095	130 273	(414 910)	314 419	4 098 714
Infrastructure transfers: Current	46 149	-	-	4 000	-	(6 694)	(2 694)	43 455
Infrastructure: Payments for fin assets	-	-	-	-	-	-	-	-
Infrastructure: Leases	530 724	-	-	(41 639)	-	7 564	(34 075)	496 649
Non infrastructure¹	2 808 025	-	-	135 472	-	-	135 472	2 943 497
Total	19 519 148	450 773	-	(389 038)	136 073	(921 819)	(724 011)	18 795 137
<i>Capital infrastructure</i>	12 399 076	418 961	-	(718 750)	109 373	(817 852)	(1 008 268)	11 390 808
<i>Current infrastructure</i>	4 312 047	31 812	-	194 240	26 700	(103 967)	148 785	4 460 832
Amount to be voted								(724 011)

The largest decreases against *Other adjustments* relate to the in-year fiscal consolidation budget cuts made by National Treasury against various conditional grants as a result of lower than anticipated revenue collection *via* SARS.

The details of the increases and decreases in the infrastructure budget are provided in each Vote's chapter in Section 2.

8. Transfers to local government

Table 8 gives a summary of the transfers to local government. Details of these transfers are provided under each Vote in Section 2. Transfers to municipalities are set to increase by R794.636 million, with a significant amount of this relating to additional funds allocated to Vote 14: Public Works for the payment of property rates.

Table 8 : Summary of transfers to local government

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	703 993	-	-	37 500	-	182 833	220 333	924 326
Total: Ugu Municipalities	63 771	-	-	17 000	1 500	20 297	38 797	102 568
B KZN212 uMdoni	23 604	-	-	(3 700)	-	6 412	27 112	26 316
B KZN213 uMzombe	6 320	-	-	20 700	-	3 100	23 800	30 120
B KZN214 uMuziwabantu	8 491	-	-	-	-	297	297	8 788
B KZN216 Ray Nkonyeni	25 356	-	-	-	-	10 488	10 488	35 844
C DC21 Ugu District Municipality	-	-	-	-	1 500	-	1 500	1 500
Total: uMgungundlovu Municipalities	159 560	-	-	98 248	-	30 288	128 536	288 096
B KZN221 uMshwathi	17 646	-	-	-	-	3 586	3 586	21 232
B KZN222 uMngeni	11 186	-	-	-	-	1 322	1 322	12 508
B KZN223 Mpofana	2 616	-	-	4 000	-	1 205	5 205	7 821
B KZN224 iMpendle	3 514	-	-	-	-	120	120	3 634
B KZN225 Msunduzi	111 361	-	-	-	-	22 950	22 950	134 311
B KZN226 Mkhambathini	2 899	-	-	94 248	-	78	94 326	97 225
B KZN227 Richmond	10 338	-	-	-	-	1 027	1 027	11 365
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	95 107	-	-	10 943	-	43 168	54 111	149 218
B KZN235 Okhahlamba	14 305	-	-	-	-	3 066	3 066	17 371
B KZN237 iNkosi Langalibalele	31 691	-	-	-	-	18 365	18 365	50 056
B KZN238 Alfred Duma	49 111	-	-	10 943	-	21 737	32 680	81 791
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	56 196	-	-	31 609	-	53 016	84 625	140 821
B KZN241 eNdumeni	17 549	-	-	-	-	12 760	12 760	30 309
B KZN242 Nquthu	16 757	-	-	31 609	-	20 459	52 068	68 825
B KZN244 uMsinga	9 922	-	-	-	-	13 026	13 026	22 948
B KZN245 uMvoti	10 968	-	-	-	-	6 771	6 771	17 739
C DC24 uMzinyathi District Municipality	1 000	-	-	-	-	-	-	1 000
Total: Amajuba Municipalities	65 012	-	-	(11 938)	-	31 751	19 813	84 825
B KZN252 Newcastle	47 289	-	-	(11 938)	-	1 891	(10 047)	37 242
B KZN253 eMahlangueni	9 328	-	-	-	-	12 346	12 346	21 674
B KZN254 Dannhauser	8 395	-	-	-	-	17 514	17 514	25 909
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	89 658	-	-	86 669	-	14 098	100 767	190 425
B KZN261 eDumbe	7 866	-	-	78 577	-	2 679	81 256	89 122
B KZN262 uPhongolo	7 250	-	-	11 092	-	130	11 222	18 472
B KZN263 Abaqulusi	27 998	-	-	(3 000)	-	1 775	(1 225)	26 773
B KZN265 Nongoma	10 569	-	-	-	-	5 923	5 923	16 492
B KZN266 Ulundi	32 064	-	-	-	-	3 591	3 591	35 655
C DC26 Zululand District Municipality	3 911	-	-	-	-	-	-	3 911
Total: uMkhanyakude Municipalities	64 728	-	-	(1 900)	-	10 826	8 926	73 654
B KZN271 uMhlabyalingana	22 900	-	-	-	-	3 007	3 007	25 907
B KZN272 Jozini	15 244	-	-	-	-	300	300	15 544
B KZN275 Mtubatuba	18 686	-	-	(1 900)	-	7 124	5 224	23 910
B KZN276 Big Five Hlabisa	7 898	-	-	-	-	395	395	8 293
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	83 684	-	-	-	-	38 340	38 340	122 024
B KZN281 uMfolozi	5 954	-	-	-	-	9 800	9 800	15 754
B KZN282 uMhlathuze	45 908	-	-	-	-	12 022	12 022	57 930
B KZN284 uMlalazi	12 289	-	-	-	-	9 665	9 665	21 954
B KZN285 Mthonjaneni	4 964	-	-	-	-	300	300	5 264
B KZN286 Nkandla	14 563	-	-	-	-	6 553	6 553	21 116
C DC28 King Cetshwayo District Municipality	6	-	-	-	-	-	-	6
Total: iLembe Municipalities	40 441	2 496	-	4 200	1 500	31 518	39 714	80 155
B KZN291 Mandeni	5 497	-	-	-	-	6 588	6 588	12 085
B KZN292 KwaDukuza	16 523	-	-	1 200	1 500	5 922	8 622	26 145
B KZN293 Ndwedwe	3 926	-	-	3 000	-	3 847	6 847	10 773
B KZN294 Maphumulo	14 495	-	-	-	-	15 161	15 161	29 656
C DC29 iLembe District Municipality	-	2 496	-	-	-	-	2 496	2 496
Total: Harry Gwala Municipalities	40 737	-	-	53 603	-	7 171	60 774	101 511
B KZN433 Greater Kokstad	9 865	-	-	61 500	-	216	61 716	71 581
B KZN434 uBuhlebezwe	9 090	-	-	-	-	2 367	2 367	11 457
B KZN435 uMzimkhulu	16 454	-	-	(10 097)	-	1 137	(8 960)	7 494
B KZN436 Dr Nkosazana Dlamini Zuma	5 328	-	-	2 200	-	3 451	5 651	10 979
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-
Unallocated	5 500	-	-	(100)	-	-	(100)	5 400
Total	1 468 387	2 496	-	325 834	3 000	463 306	794 636	2 263 023
Amount to be voted								794 636

The bulk of the transfers in the table are administered by Vote 14: Public Works (R1.186 billion), Vote 10: Sport, Arts and Culture (R318.893 million), Vote 7: Health (R275.373 million), Vote 12: Transport (R217.625 million), Vote 8: Human Settlements (R125.095 million) and Vote 11: COGTA (R86.605 million), explained as follows:

- **Public Works'** allocation to *Transfers and subsidies to: Provinces and municipalities* relates to the payment of property rates.

- **Sport, Arts and Culture's** allocation to *Transfers and subsidies to: Provinces and municipalities* relates mainly to transfers made with regard to the provincialisation of libraries and museums, as well as sport fields in municipalities, among others.
- **Health** allocates funds to *Transfers and subsidies to: Provinces and municipalities* in respect of municipal clinics.
- **Transport** allocates funds to *Transfers and subsidies to: Provinces and municipalities* mainly for various road rehabilitation projects to be undertaken by the municipalities.
- **COGTA** allocates funds to *Transfers and subsidies to: Provinces and municipalities* mainly for the implementation of service delivery projects by the municipalities (for example Massification projects such as the provision of electricity).

9. Actual expenditure and revised spending projections for the rest of 2023/24

Tables 9 and 10 provide a summary of the actual expenditure as at the end of September 2023, projected expenditure for the rest of the financial year and total revised spending per department and economic classification. Details per department are provided in Section 2 of this document.

Table 9 : Actual payments and revised spending projections by vote

2022/23		Adjusted appropriation	Actual payments		Projected payments		Projected actual
R thousand	Audited outcome		April 2023 - September 2023		October 2023 - March 2024		
			% of budget		% of budget		
1. Office of the Premier	733 373	922 057	405 356	44.0	516 701	56.0	922 057
2. Provincial Legislature	726 045	806 111	422 082	52.4	384 029	47.6	806 111
3. Agriculture and Rural Development	2 549 248	2 478 820	1 165 618	47.0	1 313 202	53.0	2 478 820
4. Economic Development, Tourism and Environmental Affairs	3 320 105	3 384 383	1 607 276	47.5	1 777 107	52.5	3 384 383
5. Education	60 341 553	62 851 947	31 822 290	50.6	31 029 657	49.4	62 851 947
6. Provincial Treasury	612 802	663 910	303 510	45.7	360 400	54.3	663 910
7. Health	51 527 860	51 780 127	26 621 234	51.4	29 097 207	56.2	55 718 441
8. Human Settlements	4 062 628	4 344 117	1 716 981	39.5	2 627 136	60.5	4 344 117
9. Community Safety and Liaison	242 256	371 556	108 761	29.3	262 795	70.7	371 556
10. Sport, Arts and Culture	1 477 123	1 465 811	696 189	47.5	769 622	52.5	1 465 811
11. Co-operative Governance and Traditional Affairs	1 819 626	2 435 509	1 434 071	58.9	1 001 438	41.1	2 435 509
12. Transport	12 772 202	13 081 466	6 572 034	50.2	6 509 432	49.8	13 081 466
13. Social Development	3 369 237	3 296 076	1 715 572	52.0	1 580 504	48.0	3 296 076
14. Public Works	2 078 605	2 213 955	1 268 748	57.3	945 207	42.7	2 213 955
Total	145 632 663	150 095 845	75 859 722	50.5	78 174 437	52.1	154 034 159

Table 10 : Actual payments and revised spending projections by economic classification

R thousand	2022/23	Adjusted appropriation	Actual payments		Projected payments		Projected actual
	Audited outcome		April 2023 - September 2023		October 2023 - March 2024		
			% of budget		% of budget		
Current payments	124 490 676	127 221 894	65 389 382	51.4	65 711 706	51.7	131 101 088
Compensation of employees	91 443 986	93 562 881	47 759 763	51.0	47 054 611	50.3	94 814 374
Goods and services	33 037 324	33 656 161	17 626 349	52.4	18 656 057	55.4	36 282 406
Interest and rent on land	9 366	2 852	3 270	114.7	1 038	36.4	4 308
Transfers and subsidies to:	13 867 140	14 315 510	6 740 566	47.1	7 682 989	53.7	14 423 555
Provinces and municipalities	2 059 038	2 303 459	1 089 867	47.3	1 214 417	52.7	2 304 284
Departmental agencies and accounts	2 493 623	2 364 868	1 227 020	51.9	1 137 924	48.1	2 364 944
Higher education institutions	6 296	5 112	-	-	5 112	100.0	5 112
Foreign governments and international organisations	386	313	-	-	313	100.0	313
Public corporations and private enterprises	2 030 887	1 930 397	888 874	46.0	1 041 523	54.0	1 930 397
Non-profit institutions	3 409 061	3 557 600	1 935 174	54.4	1 622 426	45.6	3 557 600
Households	3 867 849	4 153 761	1 599 631	38.5	2 661 274	64.1	4 260 905
Payments for capital assets	7 248 352	8 557 216	3 727 948	43.6	4 779 991	55.9	8 507 939
Buildings and other fixed structures	5 823 099	7 292 094	3 261 572	44.7	3 986 451	54.7	7 248 023
Machinery and equipment	1 410 328	1 236 063	446 370	36.1	784 487	63.5	1 230 857
Heritage assets	3 914	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	497	290	-	-	290	100.0	290
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	10 514	28 769	20 006	69.5	8 763	30.5	28 769
Payments for financial assets	26 495	1 225	1 826	149.1	(249)	(20.3)	1 577
Total	145 632 663	150 095 845	75 859 722	50.5	78 174 437	52.1	154 034 159