

## **Preliminary Provincial Budget Outcome of Conditional Grants as at 31 March 2008**

Select Committee on Finance  
Presentation by  
Free State Provincial Treasury

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### **DISCUSSIONS**

- To brief the Select Committee on Finance on the preliminary Conditional Grant outcome as at 31 March 2008
  - Aggregate preliminary expenditure
  - Trends in allocations and preliminary expenditure of conditional grants

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## PRELIMINARY DEPARTMENTAL PERFORMANCE – March 08

DEPARTMENT (1)	2007/08						
	Budget	Adjust- ments	Adjusted budget	Exp	As % of budget	(Over)under expenditure	As % of budget
	R'm (2)	R'm (3)	R'm (2)	R'm (3)	% (4)	R'm (9)	% (10)
Premier	103,5	7,1	110,6	110,5	99,9%	0,1	0,1%
Legislature	82,1	3,7	85,8	82,2	95,9%	3,5	4,1%
Tourism	262,8	5,2	267,9	267,9	100,0%	0,1	0,0%
Treasury	127,1	0,0	127,1	123,7	97,3%	3,5	2,7%
Health	3 643,4	101,0	3 744,4	3 835,8	102,4%	-91,4	-2,4%
Education	5 692,5	25,6	5 718,0	5 796,9	101,4%	-78,9	-1,4%
Social Development	453,1	0,0	453,1	426,0	94,0%	27,1	6,0%
Housing	878,0	-72,0	806,1	703,1	87,2%	103,0	12,8%
Works	1 589,9	0,0	1 589,9	1 411,6	88,8%	178,2	11,2%
Safety	34,8	0,0	34,8	34,3	98,3%	0,6	1,7%
Agriculture	273,4	31,6	305,0	290,5	95,3%	14,5	4,7%
Sport	168,5	16,3	184,8	187,3	101,4%	-2,5	-1,4%
<b>TOTAL</b>	<b>13 309,1</b>	<b>118,4</b>	<b>13 427,5</b>	<b>13 269,7</b>	<b>98,8%</b>	<b>157,8</b>	<b>1,2%</b>

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### Over expenditure

- Preliminary over expenditure by
  - Health = R91.4 million (2.4%) due to
    - OSD payments (December and March)
    - Fast tracking of building projects
  - Education = R78.9 million (1.4%) due to
    - OSD payments (December)

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### Preliminary Expenditure on C-grants as at 31 March 2008

Department (1)	Adjusted budget R'm (2)	Expenditure		Prelim over/under exp	
		R'm (3)	% (4)	R'm (9)	% (10)
Agriculture	69,9	58,8	84,1%	11,1	15,9%
LGH	553,5	474,4	85,7%	79,1	14,3%
Education	113,8	113,7	99,9%	0,1	0,1%
Health	863,9	871,8	100,9%	-7,9	-0,9%
Sport	31,8	32,3	101,5%	-0,5	-1,5%
IGP	510,0	508,5	99,7%	1,5	0,3%
<b>TOTAL</b>	<b>2 142,9</b>	<b>2 059,5</b>	<b>96,1%</b>	<b>83,4</b>	<b>3,9%</b>

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### Conditional-grants by Grant Type as at 31 March 2008

Conditional Grant	Prev year actual	Original budget R'm	National Adjusm R'm	Adjusm R'm	Adjusted Budget R'm	Amount received R'm	Expenditure			Prelim Under/ Over Exp R'm	Deviation as % of budget %
							R'm	% of budget	% of funds received		
Agriculture	32,3	41,4	25,0	3,6	69,9	41,4	58,8	84,1	142,1	11,1	15,9
CASP	25,3	38,1	0,0	0,0	38,1	38,1	38,3	100,6	100,6	-0,2	(0,6)
Agric Disaster Management	3,3	0,0	25,0	3,4	28,4	0,0	17,1	60,0	0,0	11,4	40,0
LandCare	3,8	3,3	0,0	0,1	3,4	3,3	3,4	100,0	104,5	0,0	0,0
Local Gov & Housing	528,4	653,3	-100,0	0,2	553,5	553,3	474,4	85,7	85,7	79,1	14,3
Integrated Housing Subsidy	528,4	653,3	-100,0	0,2	553,5	553,3	474,4	85,7	85,7	79,1	14,3
Education	111,5	113,2	0,0	0,6	113,8	113,2	113,7	99,9	100,4	0,1	0,1
FET College Sector Recapitalisation	30,0	36,0	0,0	0,6	36,6	36,0	36,6	100,0	101,6	0,0	0,0
HIV and Aids (Life Skills Education)	8,9	9,2	0,0	0,0	9,2	9,2	9,2	99,4	99,4	0,1	0,6
National School Nutrition Programme	72,7	68,0	0,0	0,0	68,0	68,0	68,0	100,0	100,0	0,0	0,0
Health	775,3	852,6	0,0	11,3	863,9	852,6	871,8	100,9	102,3	-7,9	(0,9)
Health Professions Training & Development	79,8	97,1	0,0	0,0	97,1	97,1	87,0	89,6		10,1	10,4
Comprehensive HIV and Aids	142,3	153,6	0,0	0,0	153,6	153,6	141,7	92,2	92,2	12,0	7,8
Hospital Rehabilitation	59,6	90,4	0,0	0,0	90,4	90,4	84,8	93,8	93,8	5,6	6,2
National Tertiary Services	458,0	480,9	0,0	0,0	480,9	480,9	515,1	107,1	107,1	-34,2	(7,1)
Forensic Pathology Services	35,6	30,4	0,0	11,3	41,7	30,4	43,1	103,4	141,7	-1,4	(3,4)
Sport	9,8	31,7	0,0	0,1	31,8	31,7	32,3	101,5	101,9	-0,5	(1,5)
Community library services grant	0,0	16,5	0,0	0,0	16,5	16,5	16,3	98,7	98,7	0,2	1,3
Mass Sport & Recreation Participants Program	9,8	15,2	0,0	0,1	15,3	15,2	16,0	104,5	105,3	-0,7	(4,5)
Infrastructure Grant to Providers	286,0	510,0	0,0	0,0	510,0	510,0	508,5	99,7	99,7	1,5	0,3
Public Works, Roads & Transport	183,4	360,3	0,0	0,0	360,3	0,0	359,7	99,8		0,6	0,2
Education	59,3	119,7	0,0	0,0	119,7	0,0	119,7	100,0		0,0	0,0
Health	43,4	30,0	0,0	0,0	30,0	0,0	29,1	97,0		0,9	10,3,0
<b>Total IVM Conditional Grants</b>	<b>1 771,2</b>	<b>2 202,1</b>	<b>-75,0</b>	<b>15,8</b>	<b>2 142,9</b>	<b>2 102,1</b>	<b>2 059,5</b>	<b>96,1</b>	<b>98,0</b>	<b>83,4</b>	<b>3,9</b>

**Detail on Conditional Grants per department: Local Government and Housing**

- Integrated Housing and Human Settlement Development grant fund reduced by R100 million in March 2008
- Local Gov and Housing spent R474.4 million (85.7%) of the adjusted allocation of R553.5 million
- Preliminary under expenditure of R85.7 million or 14.3% by the end of the financial year

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**Detail on Conditional Grants per department: Education**

- Education spent R233.5 million or 100% of their adjusted Conditional Grant allocation of R233.5 million and recorded minor under expenditure of about R0.08 million
- Preliminary Budget Outcome per grant
  - Further Education and Training College Sector Recapitalization Grant:
    - Adj Allocation = R36.6 million
    - Expenditure = R36.6 million (100%)
  - HIV and Aids Grant:
    - Allocation = R9.2 million
    - Expenditure = R9.2 million (99.4%)
    - Under exp = R0.054 million (0.6%) – Workshops did not take place as planned due to strikes

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### Detail on Conditional Grants: Health (continue)

- Preliminary Budget Outcome per grant (continue)
  - Hospital Revitalisation Grant:
    - Allocation = R90.4 million
    - Expenditure = R84.8 million (93.8%)
    - Under exp = R5.6 million (6.2%)
  - National Tertiary Services Grant:
    - Allocation = R480.9 million
    - Expenditure = R515.1 million (107.1%)
    - Over exp = R34.2 million (7.1%)
  - Infrastructure Grant to Provinces:
    - Allocation = R30.0 million
    - Expenditure = R29.1 million (97.0%)
    - Under exp = R0.9 million (3.0%)

### Detail on Conditional Grants: Sport, Arts and Culture

- Sport, Arts and Culture spent R32.3 million (101.5%) of the adjusted 2007/08 Conditional Grant allocation of R31.8 million and recorded over expenditure of R0.5 million or 1.5%
- Preliminary Budget Outcome per grant
  - Mass Sport and Recreation Participation Programme grant
    - Adj Allocation = R15.3 million
    - Expenditure = R16.0 million (104.5%)
    - Over exp = R0.7 million (4.5%)
  - Community Library Services grant
    - Allocation = R16.5 million
    - Expenditure = R16.3 million (98.7%)
    - Under exp = R0.2 million (1.3%)

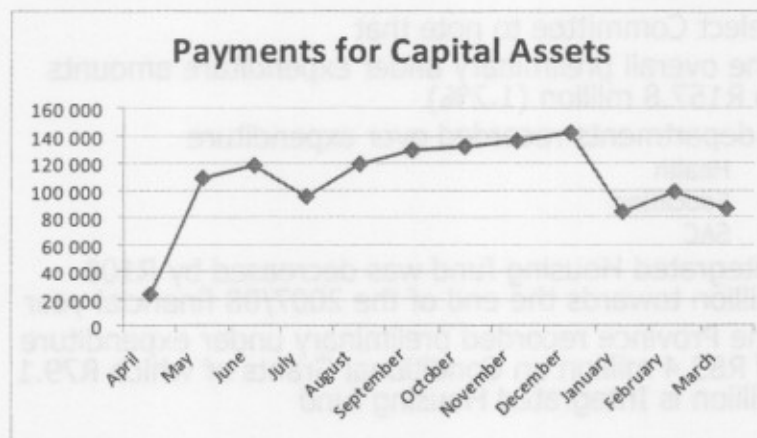
## INFRASTRUCTURE EXPENDITURE – 2007/08

PROVINCIAL INFRASTRUCTURE: BUDGET AND EXPENDITURE - March 2008 IRM

Department	2007/08	Preliminary outcome		Over/Under expenditure	
	Adjusted budget R'000	R'000	%	R'000	%
Tourism	36 000	37 866	105,2%	-1 866	-5,2%
Health	248 623	265 835	106,9%	-17 212	-6,9%
Education	251 671	250 802	99,7%	869	0,3%
Soc Dev	12 035	7 404	61,5%	4 631	38,5%
Roads	932 672	735 491	78,9%	197 181	21,1%
Works	178 588	176 613	98,9%	1 975	1,1%
Agriculture	51 500	51 606	100,2%	-106	-0,2%
SAC	23 023	23 657	102,8%	-634	-2,8%
<b>TOTAL</b>	<b>1 734 112</b>	<b>1 549 274</b>	<b>89,3%</b>	<b>184 838</b>	<b>10,7%</b>

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## 2007/08 CAPEX



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Thank you