



GAUTENG PROVINCE

OFFICE OF THE PREMIER
REPUBLIC OF SOUTH AFRICA

Ms Nomfundo Tshabalala
Head of Department
Gauteng Provincial Treasury
Imbumba House
75 Fox Street
MARSHALLTOWN
Johannesburg
2107

By email: Nomfundo.Tshabalala@gauteng.gov.za

Dear Ms Tshabalala

CERTIFICATION OF THE GAUTENG PROVINCIAL APPROPRIATION BILL, 2017

Attached for your attention kindly receive a copy of the above Bill, Schedule and Memorandum on the Bill as duly certified by the State Law Advisors in the Office of the Premier. The State Law Advisors classify the Bill as a money Bill.

Please note that no changes may be made to the certified documents without the prior approval of the State law Advisors, and any unauthorised change will nullify the certification of the documents. The same conditions as set out herein apply to the changes made to any electronic version of the documents.

The State Law Advisors do not certify the correctness of the amounts reflected in the Schedule to and the Memorandum on the Bill, as these are the responsibility of the Provincial Treasury.

Please kindly ensure that this certificate accompanies the Bill when it is introduced in the Provincial Legislature.

Enquires may be directed to Adv. Monwabisi Nguqu
Telephone number : (011) 355 6312
Email : Monwabisi.Nguqu@gauteng.gov.za
Reference number : 11/1/1/119

Yours faithfully

Phindile Baleni (Ms)
Director General
Date: 06/03/2017



GAUTENG PROVINCE

**GAUTENG PROVINCIAL
APPROPRIATION BILL, 2017**

*(As introduced in the Gauteng Provincial Legislature in terms of Rule 192(2) of the Standing
Rules of the Gauteng Provincial Legislature (Revision 8) (proposed section 120))
(The English text is the official text of the Bill)*

(Member of the Executive Council for Finance)

[B —2017]



BILL

To provide for the appropriation of money from the Provincial Revenue Fund for the requirements of the Gauteng Province in the 2017/18 financial year; and to provide for matters incidental thereto.

PREAMBLE

WHEREAS section 226(2)(a) of the Constitution of the Republic of South Africa, 1996, provides that money may be withdrawn from the Provincial Revenue Fund only in terms of an appropriation by an Act of the Provincial Legislature;

AND WHEREAS section 26 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), provides that the Provincial Legislature must appropriate money for financial year for the requirements of the Province,

BE IT ENACTED by the Provincial Legislature of the Gauteng Province, as follows:—

Definitions

1. In this Act, unless the context indicates otherwise, a word or an expression to which a meaning has been assigned in the Public Finance Management Act, 1999 (Act No. 1 of 1999), has the meaning assigned to it in that Act, and—

“**conditional grants**” means any allocation to the Province from the national government’s share of revenue raised nationally, which are provided for and whose purpose is specified in the Act of Parliament referred to in section 214(1)(c) of the Constitution of the Republic of South Africa, 1996;

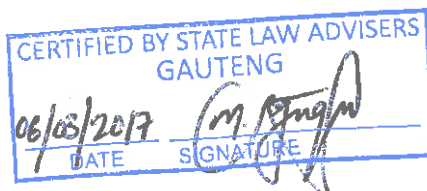
“**current payments**” means any payment made by a provincial department and classified as or deemed to be a current payment in accordance with instructions in the *Guidelines for Implementing the Economic Reporting Format* (September 2009) issued by the National Treasury in terms of or under section 76 of the Public Finance Management Act, and includes any payment in respect of operational requirements of that department for the compensation of employees, goods and services, interest and rental of immovable property, and financial transactions relating to assets and liabilities, but excludes transfers and subsidies, payments for capital assets and payments made under section 73 of the Public Finance Management Act;

“**payments for capital assets**” means any payment made by a provincial department and classified as or deemed to be a payment for capital assets in accordance with instructions in the *Guidelines for Implementing the Economic Reporting Formats* (September 2009) and the Asset Management Framework (April 2004, Version 3.3) issued by the National Treasury in terms of or under section 76 of the Public Finance Management Act, and includes any payment for assets that can be used continuously or repeatedly in production for more than one year, and which future economic benefits or service potential is expected to flow directly to the provincial department making the payment;

“**Public Finance Management Act**” means the Public Finance Management Act, 1999 (Act No. 1 of 1999); and

“**this Act**” includes the Schedule and Annexures A, B and C; and

“**transfers and subsidies**” means any payment made by a provincial department and classified as or deemed to be a transfer or subsidy payment in accordance with instructions in the *Guidelines for Implementing the Economic Reporting Formats* (September 2009) issued by the National Treasury in terms of or under section 76 of the Public Finance Management Act, and includes any payment to another organ of state or any other person in respect of which the provincial department does not receive anything of similar value directly in return.



Appropriation of money for the requirements of the Province

2. (1) Appropriations by the Provincial Legislature of money from the Provincial Revenue Fund for the requirements of the Province in the 2017/18 financial year, to votes and main divisions within a vote, and for the specific listed purposes, are set out in the Schedule.

(2) The spending of appropriations contemplated in subsection (1) is subject to this Act, the Public Finance Management Act and the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act No. 10 of 2009).

Amounts listed as specifically and exclusively appropriated

3. Despite anything contained in any law, an amount within a vote or a main division within a vote that is listed as specifically and exclusively appropriated in the Schedule may only be utilised for the purpose indicated and may not be used for any other purpose, unless the amount or purposes for which it was appropriated is amended by or in terms of an Act of the Provincial Legislature.

Short title

4. This Act is called the Gauteng Provincial Appropriation Act, 2017.



		SCHEDULE						
		(As a charge to the Provincial Revenue Fund)						
Vote	Description of votes and main divisions	Total per vote and main division	Details of appropriated amount					
			Current Payments			Transfers and Subsidies	Payments for Capital Assets	Amounts specifically and exclusively appropriated
			Compensation of Employees	Goods and Services	Other			
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
1	Office of the Premier Vision: Leadership for an integrated city-region, characterised by social cohesion and economic inclusion; the leading economy on the continent, underpinned by sustainable socio-economic development.	609 310	292 158	174 744		130 876	11 532	
	1 Administration The programme is responsible for the overall strategic management and support of the Premier and the Director General in fulfilling their statutory and political mandates.	119 391	67 435	43 484			8 472	
	2 Institutional Development The programme responsible for leading, facilitating, coordinating and supporting a skilled, ethical and performance oriented GCR; ICT leadership and guidance across the GPG; ICT related auxiliary support to the OOP towards modernising the public service; support to the Premier and EXCO with legal advice and support; and promoting and facilitating effective communication between government and the people of Gauteng.	228 793	152 722	74 211			1 860	
	3 Policy and Governance The purpose of the programme is to support the Premier and EXCO with policy advice, research support, international and inter-governmental relations, integrated cooperative governance, and effective management of the Executive Council Cluster system; drive province-wide outcomes-based planning, performance monitoring and evaluation so as to improve government performance towards enhanced service delivery and GCR development impacts/outcomes; develop, implement and monitor the GCR-wide customer centric service delivery response system including regulatory and reward frameworks; and lead planning for sustainable development in the Gauteng City Region.	261 126	72 001	57 049		130 876	1 200	
	<i>of which</i> Transfers to Higher Education Institutions GCRO Transfers to Non-Profit Institutions							19 950 110 926
2	Gauteng Provincial Legislature Vision: A modern and transformative legislature that fosters public pride and confidence in democracy and enhances service delivery to the people of Gauteng.	674 898	318 120	235 348		114 907	6 523	
	1 Leadership and Governance To provide strategic leadership and overall management to the Legislature and to enable it to carry out its constitutional responsibilities; maintaining oversight of the Provincial Executive; making and passing laws for the Province; meaningfully involving the people of Gauteng in all institutional processes; and facilitating cooperative governance.	51 701	21 955	29 746				
	2 Office of the Secretary The Office of the Secretary is responsible for developing and implementing strategy and provides strategic, tactical and operational leadership to the GPL administration so that it can carry out its mandate of oversight and scrutiny, law making, public participation and cooperative governance. The Office is also accountable for institutional strategic planning, reporting, monitoring, contract management and evaluation and project management.	23 373	14 685	8 688				
	Corporate Support Services Corporate Support Services provides support to all internal stakeholders in areas of Human Resources, Information and Technology, Safety and Security, Building Management, Administration, Transport and Logistics, Members Affairs and Relations.	300 180	97 719	87 554		114 907		
	<i>of which</i> Transfers to Non-Profit Institutions							114 907
	4 Core Business The purpose of this programme is to support the House and its Committees to make laws for the Gauteng Province, conduct oversight over the Executive and facilitate cooperative governance for aligned decision-making in the Province.	243 595	144 802	98 793				
	5 Office of the CFO The purpose of the Office of the CFO is to provide professional Financial, Risk and Supply Chain Management services to our stakeholders through service excellence to support the realisation of the Gauteng Provincial Legislature's (GPL) strategic goals and objectives.	56 049	38 959	10 567			6 523	
3	Economic Development Vision: A radically transformed, modernised and re-industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity.	1 413 792	244 145	206 605		950 593	12 449	
	1 Administration To provide strategic leadership, support and transversal business solutions to enable the MEC, HOD and DED group to effectively deliver on the mandate of the Department.	287 897	132 431	143 077			12 389	
	2 Integrated Economic Development Services To ensure radical economic transformation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.	231 613	17 007	232		214 374		
	<i>of which</i> Transfers to Departmental Agencies and Accounts Gauteng Economic Propeller							214 374
	3 Trade and Sector Development To ensure re-industrialisation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.	714 211	6 021			708 190		
	<i>of which</i> Transfers to Departmental Agencies and Accounts Gauteng Growth Development Agency Gauteng Tourism Agency Cradle of Humankind Dinokeng							493 117 101 165 70 706 43 202
	4 Business Regulation and Governance To create a seamless business regulation and good governance environment that promotes ethical conduct, transforms industry, realises sustainable revenue generation and contributes towards achievement of TMR goals.	66 563	30 334	8 200		28 029		
	<i>of which</i> Transfers to Departmental Agencies and Accounts Gauteng Liquor Board							28 030
	5 Economic Planning To provide thought leadership to transform and re-industrialise the Gauteng City Region through policy and strategy development.	113 508	58 352	55 096			60	

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 06/03/2017 *[Signature]*
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Vote	Description of votes and main divisions	Total per vote and main division	Details of appropriated amount					
			Current Payments			Transfers and Subsidies	Payments for Capital Assets	Amounts specifically and exclusively appropriated
			Compensation of Employees	Goods and Services	Other			
4	Health Vision: Daily we provide high-quality, efficient and accessible healthcare to transform people's lives	40 207 046	23 815 004	12 347 091		1 578 504	2 466 447	
	1 Administration The purpose of this programme is to conduct strategic management and overall administration of the Department of Health through the sub-programmes, Office of the MEC and Management.	669 961	415 550	240 337		2 313	11 761	
	2 District Health Services The purpose of the programme is to render primary health care services, district hospital services, comprehensive HIV and AIDS care and nutrition. <i>of which</i> National conditional grants Comprehensive HIV Aids and TB Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Municipalities Transfers to Non-profit institutions	13 752 800	6 933 476	5 654 261		884 577	280 486	3 744 381 2 663 361 769 493 776
	3 Emergency Medical Services The rendering of pre-hospital Emergency Medical Services including inter-hospital transfers and planned patient transport. <i>of which</i> Transfers to Municipalities	1 275 082	494 128	303 289		349 835	127 830	
	4 Provincial Hospital Services Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including a specialized rehabilitation service, as well as a platform for training health professionals and research. <i>of which</i> Transfers to Non-Profit Institutions National conditional grants Health Professions Training and Development	7 367 668	5 549 300	1 614 259		72 170	131 939	347 335 54 832 224 241
	5 Central Hospital Services To provide a highly specialised health care service, a platform for the training of health workers, a place of research, and to serve as specialist referral centres for regional hospitals and neighbouring provinces. <i>of which</i> Transfers to Non-Profit Institutions National conditional grants National Tertiary Services Health Professions Training and Development	14 211 198	9 363 957	3 977 201		196 448	673 592	150 000 4 110 484 695 191
	6 Health Sciences and Training Rendering of training and development opportunities for clinical and non-clinical employees of the Department of Health through sub-programmes Nurse training college, Emergency medical services training college, Bursaries, and Other Training. <i>of which</i> Transfers to Departmental Agencies and Accounts	990 163	848 862	60 703		72 553	8 045	
	7 Health Care Support Services The purpose of this programme is to render support services required by the Department to realise its aims through sub-programmes Laundry and Food supply services.	281 538	174 054	98 452		608	8 424	19 812
	8 Health Facilities Management The purpose of this programme is to plan, provide and equip new facilities/assets, upgrade and rehabilitate community health centres, clinics, district, provincial, specialized and academic hospitals, and other health-related facilities, and also to undertake life cycle management of immovable assets through maintenance of all health facilities. <i>of which</i> National conditional grants Health Facility Revitalisation Expanded Public Works Programme (EPWP) Intergrated	1 658 636	35 677	398 589			1 224 370	890 665 2 000

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			Compensation of Employees	Goods and Services	Other			
5	Education Vision: Every learner feels valued and inspired in our innovative education system.	40 843 869	30 247 916	4 772 592		4 227 708	1 595 653	
	1 Administration To provide overall management of the education system in accordance with the National Education and Information Policy.	2 887 755	2 285 124	581 582		5 513	15 536	
	2 Public Ordinary School Education To provide public ordinary education from Grades 1 to 12, in accordance with the South African Schools Act. <i>of which</i> National conditional grants HIV/AIDS (Life Skills Education) National School Nutrition Maths, Science and Technology Transfers to Non-Profit Institutions	31 092 723	25 269 816	3 281 592		2 539 678	1 637	
	3 Independent School Subsidies To provide independent ordinary education from Grades 1 to 12, in accordance with the South African Schools Act. <i>of which</i> Transfers to Non-Profit Institutions	691 636				691 636		
	4 Public Special School Education To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education. <i>of which</i> National conditional grants Learners with Profound Intellectual Disabilities Transfers to Non-Profit Institutions	2 343 748	1 938 236	29 207		376 305		
	5 Early Childhood Development To provide Early Childhood Education at Grade R and earlier levels in accordance with White Paper 5. <i>of which</i> Transfers to Non-Profit Institutions	765 459	410 885	162 029		191 844	701	
	6 Infrastructure Development To provide and maintain infrastructure facilities for the administration and schools <i>of which</i> National conditional grants Education Infrastructure	1 742 829	34 266	213 847			1 494 716	
	7 Examination and Education Related Services To provide training and support to all education institutions. <i>of which</i> National conditional grants EPWP Integrated Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Non-Profit Institutions Transfers to Departmental Agencies and Accounts	1 319 719	309 589	504 335		422 732	83 063	
								34 436 762 848 51 270 2 428 969
								691 636
								12 632 373 612
								191 844
								1 468 146
								2 537 9 791 90 765 84 639
6	Social Development Vision: A caring and self-reliant society.	4 442 331	1 382 798	501 326		2 471 133	87 074	
	1 Administration To provide political and strategic direction; leadership and to guide and support the development policy frameworks and guidelines for the implementation of priority programmes. <i>of which</i> Transfers to Departmental Agencies and Accounts	551 235	267 808	264 132		6 621	12 674	
	2 Social Welfare Services To provide integrated developmental social welfare services to poor and vulnerable beneficiaries in partnership with stakeholders and civil society. <i>of which</i> National conditional grants Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Non-Profit Institutions	759 847	61 185	35 884		662 777		
	3 Children and Families To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations. <i>of which</i> National conditional grants Social Workers Employment Early Childhood Development EPWP Integrated Transfers to Non-Profit Institutions	2 078 062	707 795	124 092		1 171 775	74 400	
	4 Restorative Services To provide integrated developmental social crime prevention and anti-substance abuse services and victim empowerment programme to the most vulnerable in partnership with stakeholders and civil society organisations. <i>of which</i> Transfers to Non-Profit Institutions	506 117	93 859	65 611		346 647		
	5 Development and Research To provide sustainable development programmes which facilitates empowerment of communities, based on empirical research and demographic information. <i>of which</i> Transfers to Non-Profit Institutions	547 071	252 151	11 607		283 313		
								80 9 384 662 027 2 453 38 489 2 000 1 170 174 346 147 283 118

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			Current Payments			Transfers and Subsidies	Payments for Capital Assets	Amounts specifically and exclusively appropriated
			Compensation of Employees	Goods and Services	Other			
7	<p>Cooperative Governance and Traditional Affairs Vision: Lead provincial departments in the coordination, collaboration, and facilitation of cooperative governance in building a globally competitive and people-driven Gauteng City-Region.</p> <p>1 Administration To strengthen and align the Department's organisational capacity and capability to deliver on its mandate.</p> <p>2 Local Governance To strengthen the developmental state by enhancing participatory governance and institutional stability as well as building the capacity and capability of local government to achieve its constitutional mandate.</p> <p>Transfers to Municipalities</p> <p>3 Development and Planning To coordinate and facilitate integrated development and planning in municipalities to ensure that services are delivered in an integrated and sustainable manner in line with the transformation of state and governance.</p> <p>of which Transfers to Municipalities National conditional grants EPWP Integrated</p> <p>4 Traditional Institutional Development To promote and facilitate viable and sustainable traditional institutions by enhancing the capacity for traditional leadership and local governance institutions in line with Pillar 4: Transformation of state and governance.</p>	470 218	302 359	119 466		16 766	31 627	
		129 090	83 442	38 447		1 630	5 571	
		224 108	178 092	32 879		13 136		13 136
		105 957	34 060	43 841		2 000	26 056	
								2 000
								2 000
		11 064	6 766	4 298				
8	<p>Human Settlements Vision: Integrated sustainable human settlements within a smart Gauteng City Region.</p> <p>1 Administration The programme ensures effective leadership, management and administrative support of the core business divisions through continuous refinement of organisational strategy and structure in compliance with appropriate legislation and practice.</p> <p>2 Housing Needs, Research And Planning The purpose of this programme is to facilitate and undertake housing delivery planning, identify housing needs, provide a regulatory framework for housing delivery, develop policy guidelines, provide provincial inputs on housing legislation and any amendments to these, develop provincial multi-year housing delivery plans, ensure alignment of housing plans with Integrated Development Plans (IDPs) and conduct research into the demand for housing.</p> <p>3 Housing Development To build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements.</p> <p>of which National conditional grants Human Settlement Development EPWP Integrated Transfers to Departmental Agencies and Accounts Gauteng Partnership Fund</p> <p>4 Housing Assets Management Property Management The purpose of the programme is to promote home-ownership in historically disadvantaged communities.</p> <p>of which National conditional grants Human Settlement Development</p>	6 186 359	418 510	163 494		5 557 078	47 276	
		417 217	250 117	119 492		332	47 276	
		35 822	35 380	442				
		5 559 388	129 487	40 419		5 389 482		
								5 407 008
								14 055
								224 719
		173 932	3 527	3 142		167 264		
								121 042
9	<p>Roads and Transport Vision: A modern integrated, efficient and sustainable transport and roads infrastructure system in Gauteng.</p> <p>1 Administration To provide the Department with overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.</p> <p>2 Transport Infrastructure To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.</p> <p>of which National conditional grants Provincial Roads Maintenance EPWP Integrated Transfers to Municipalities</p> <p>3 Transport Operations To plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, CBOs, NGOs and the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access.</p> <p>of which National conditional grants Public Transport Operations Transfers to Public Corporations and Private Enterprise</p> <p>4 Transport Regulation To ensure the provision of a safe environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and registration and licensing of vehicles and drivers.</p> <p>5 Gautrain To plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain.</p> <p>of which Transfers to Departmental Agencies and Accounts Gauteng Management Agency</p>	6 832 291	647 972	811 957	320	4 158 224	1 213 819	
		321 364	171 590	137 814	80	500	11 380	
		1 976 157	305 864	525 184	60	7 730	137 320	
								656 183
								6 504
								2 000
		2 386 247	26 282	36 650		2 315 635	7 680	
								2 155 063
								2 315 535
		314 829	144 236	112 309	180	665	57 439	
		1 833 694				1 833 694		
								1 833 694

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Vote	Description of votes and main divisions	Total per vote and main division	Details of appropriated amount					
			Current Payments			Transfers and Subsidies	Payments for Capital Assets	Amounts specifically and exclusively appropriated
			Compensation of Employees	Goods and Services	Other			
10	<p>Community Safety Vision: To realise Gauteng as a province where people feel and are safe.</p> <p>1 Administration The administration programme provides a support function to the MEC and the core units of the departments. It ensures that corporate governance is instilled in the department and provides strategic, technical and effective administrative support to the MEC and core programmes. Strategic leadership is provided by the Office HOD; this ensures that risk management systems are implemented.</p> <p>2 Civilian Oversight The programme undertakes research on safety and security matters with the aim of improving safety and policing and making informed strategic decisions. It also works to promote safety by conducting evaluations and impact assessments and holding seminars on safety matters.</p> <p><i>of which</i> National conditional grants Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Municipalities</p> <p>3 Traffic Management The main aim of the programme is to integrate and coordinate traffic law enforcement, reduce road fatalities and support SAPS crime prevention initiatives in the province.</p> <p><i>of which</i> Transfers to Provinces and Municipalities Transfers to Public Corporations and Private Enterprise</p>	678 465	494 596	162 982		4 924	15 963	
		101 048	69 863	29 071			2 114	
		195 080	93 072	91 104		912	9 992	
		382 337	331 661	42 807		4 012	3 857	1 463 912
								911 1 312
11	<p>Agriculture and Rural Development Vision: An economically transformed agricultural sector and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng.</p> <p>1 Administration To provide leadership, management, efficient and effective monitoring and evaluation, policy and research co-ordination and security and risk management, financial management, HR management and development, facilities management services, professional legal services and enforcement services, communication and awareness as well as knowledge and project management services to the department in response to Outcome 12.</p> <p><i>of which</i> Transfers to Departmental Agencies and Accounts</p> <p>2 Agriculture and Rural Development To optimise the contribution of sustainable agriculture to the equitable development of all communities in the province by enhancing food security, income, employment and the quality of life; and to control and manage health risks of animal origin by ensuring healthy livestock production and the availability and affordability of healthy high quality food and animal products, thus stimulating economic growth and contributing to poverty alleviation and international trade.</p> <p><i>of which</i> National conditional grants Land Care Ilima/Letsema Projects Comprehensive Agricultural Support Programme EPWP Integrated Transfers to Higher Education Institutions Transfers to Departmental Agencies and Accounts</p> <p>3 Environmental Affairs The programme promotes equitable and sustainable use of ecosystems, goods and services and contributes to economic development by managing biodiversity and its components, processes, habitats and functions. The programme also ensures that the province implements the principles of integrated waste management; promotes sustainable development and quality of life by ensuring acceptable ambient air quality and sustainable mining practices; and manages hazardous chemicals and industrial related activities.</p>	916 600	436 286	455 783		10 452	14 079	
		189 016	116 783	67 341		1 222	3 670	
		487 848	169 105	302 637		9 036	7 070	1 002
		239 736	150 398	85 805		194	3 339	4 123 27 673 87 136 2 684 5 001 3 790
12	<p>Sport, Arts, Culture and Recreation Vision: An active, creative and modernised Gauteng City Region contributing to sustainable economic growth and social cohesion.</p> <p>1 Administration The aim of the programme is to provide political and strategic direction and to support the department by providing corporate management services.</p> <p>2 Cultural Affairs The aim of the Cultural Affairs Programme is to identify, develop, support, and promote the arts and preserve, protect and support heritage resources in the province.</p> <p><i>of which</i> Departmental agencies and accounts Transfers to Non Profit Institutions National conditional grants EPWP Integrated</p> <p>3 Library and Archives Services The purpose of the programme is to establish and maintain community libraries which will in turn provide access to knowledge, resources and services to meet the needs of individuals and groups for education, information and personal development.</p> <p><i>of which</i> National conditional grants Community Library Services Transfers to Municipalities Transfers to Non Profit Institutions</p> <p>4 Sport and Recreation The aim of this programme is to promote sport and recreation and school sport; facilitate talent identification; promote sport development and high performance to make Gauteng the Home of Champions.</p> <p><i>of which</i> National conditional grants Mass Sport and Recreation Participation Programme Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Non Profit Institutions</p>	875 336	263 637	249 560		190 983	171 156	
		117 119	77 202	36 435		150	3 332	
		190 423	53 039	59 467		39 666	38 251	28 766 10 900
		280 609	28 469	19 356		131 897	100 887	2 206
		287 184	104 926	134 301		19 270	28 686	172 428 129 097 2 000
								84 509 1 496 19 270

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13	<p>e-Government Vision: A connected Gauteng City-Region that leverages technology to provide quality services to citizens.</p> <p>1 Administration To provide executive leadership, oversight and accountability and corporate support services.</p> <p>2 Information Communication Technology Shared Services The programme is responsible for establishing an ICT e-Government governance structure for the department and the GCR; building an enabling ICT infrastructure and platform for common GCR e-Services according to a standardised approach for a connected GCR government; and promoting the use of e-Government services by citizens, businesses and government entities through transformation and incentive programmes.</p> <p><i>of which</i> Transfers to Higher Education Institutions</p> <p>3 Human Resource Services To modernise HR business processes within GPG through providing ICT systems and promoting their optimal use, and to produce analytical HR information useful for purposes of decision-making.</p>	1 356 832	422 434	906 754		23 377	4 267	
		239 764	139 667	95 253		577	4 267	
		1 003 224	175 823	804 601		22 800		22 800
		113 844	106 944	6 900				
14	<p>Provincial Treasury Vision: To provide strategic leadership in financial and fiscal matters to ensure sustainable and inclusive social and economic development of the people of Gauteng so that all may enjoy value for money services of the highest quality.</p> <p>1 Administration The programme aims to provide effective leadership, management and administrative support to the Treasury programmes as well as the Member of the Executive Council and the Accounting Officer. This is done in fulfillment of the mission and mandate of the Treasury.</p> <p>Sustainable Fiscal Resource Management To ensure the effective and efficient administration of fiscal resources.</p> <p><i>of which</i> Departmental agencies and accounts</p> <p>3 Financial Governance To promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions.</p> <p>4 Supply Chain Management To promote and enforce transparency and effective Supply Chain Management in the province.</p> <p><i>of which</i> Transfers to Non Profit Institutions</p> <p>5 Municipal Financial Governance To ensure effective and efficient management in Municipalities and Municipal Entities and coordinate the provisioning of capacity building.</p> <p>6 Gauteng Audit Services Enhance transparency, good governance and a clean government through strengthening the internal control and regulatory environment in the province and to render audit services in the GPG.</p>	712 634	548 318	96 345		66 335	1 635	
		128 921	91 902	34 384		1 000	1 635	
		141 751	75 424	10 992		55 335		55 335
		145 585	129 892	15 693				
		122 614	92 511	20 103		10 000		
		61 384	54 409	6 974				10 000
		112 379	104 180	8 199				
15	<p>Infrastructure Development Vision: To be a leading sustainable infrastructure provider and facilitator that positions Gauteng as a globally competitive city region with inclusive economic growth and decent work for all.</p> <p>1 Administration The purpose of this Programme is to provide strategic leadership to the Department and to support the core programmes in their efforts to implement the department's mandate.</p> <p>2 Public Works Infrastructure This Programme is responsible for providing the core services that are mandated to the Department. This includes being the only implementer of infrastructure and maintenance projects on behalf of all GPG Departments.</p> <p><i>of which</i> Transfers to Municipalities</p> <p>3 Expanded Public Works Programme The purpose of this Programme is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme.</p> <p><i>of which</i> EPWP Integrated</p>	2 542 122	914 901	779 522	399	766 462	80 838	
		325 307	192 064	95 044	200	6 000	32 000	
		1 912 116	632 722	469 895	200	760 462	48 838	757 462
		304 698	90 115	214 583				19 192
TOTAL FOR THE PROVINCE		108 762 102	60 749 153	21 983 569	719	20 268 322	5 760 338	

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SCHEDULE ON HEALTH: PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES
(As a charge to the Provincial Revenue Fund)

Vote	Description	Vote and main divisions	Forward estimates	
		2017/18	2018/19	2019/20
		R'000	R'000	R'000
4	Health			
	Programme 4: Provincial Hospital Services	7 367 668	7 825 406	8 263 630
	To render general and specialised hospital services provided by general specialists			
	<i>of which</i>			
	a. Compensation of employees	5 549 300	5 897 782	6 228 057
	b. Transfers to Hospitals	72 170	76 659	80 952
	4.1. Psychiatric/Mental Hospitals:			
	Mental Health NPO Psychiatric Programme	54 832	58 281	61 545
		54 832	58 281	61 545
	c. Goods and Services (type, e.g. medicine costs)	1 614 259	1 711 110	1 806 932
	d. Payments for capital assets	131 939	139 856	147 689

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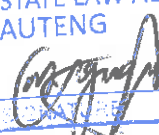
ANNEXURE B

SCHEDULE ON HEALTH: PROGRAMME 5: CENTRAL HOSPITAL SERVICES
(As a charge to the Provincial Revenue Fund)

Vote	Description	Vote and main divisions	Forward estimates	
		2017/18	2018/19	2019/20
		R'000	R'000	R'000
4	Health			
	Programme 5: Central Hospital Services	14 211 198	15 063 927	16 497 303
	To provide a highly specialised health care service, a platform for the training of health workers, a place of research, and to serve as specialist referral centres for regional hospitals and neighbouring provinces.			
	<i>of which</i>			
	a. Compensation of employees	9 363 957	9 907 431	10 584 470
	b. Transfers to Hospitals	196 448	247 640	341 929
	c. Goods and Services (type, e.g. medicine costs)	3 977 201	4 187 408	4 809 056
	d. Payments for capital assets	673 592	721 448	761 848

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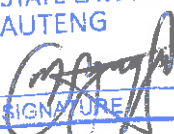


SCHEDULE ON HEALTH: PROGRAMME 2: PROVINCIAL HOSPITAL SERVICES
(As a charge to the Provincial Revenue Fund)

Vote	Description	Vote and main divisions	Forward estimates	
		2017/18	2018/19	2019/20
		R'000	R'000	R'000
4	Health			
	Programme 2: District Health Services	7 367 668	7 367 668	8 263 630
	To render comprehensive primary comprehensive primary health care services, district hospital services, comprehensive HIV and AIDS care and nutrition.			
	<i>of which</i>			
	a. Compensation of employees	6 933 476	7 334 943	7 745 699
	b. Transfers to Hospitals	72 358		
	4.1. Psychiatric/Mental Hospitals:			
	Witkoppen Clinic	292 528	309 336	326 594
	Nutrition	12 578	13 308	14 053
	Mental Health NPO	55 233	58 547	61 826
		224 717	237 481	250 715
	c. Goods and Services (type, e.g. medicine costs)	5 654 261	6 273 348	6 803 682
	d. Payments for capital assets	280 486	295 462	312 005

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MEMORANDUM ON THE GAUTENG PROVINCIAL APPROPRIATION BILL, 2017

1. INTRODUCTION

The memorandum seeks to highlight the estimates of revenue to be raised for each year of the 2017 Medium Term Expenditure Framework (MTEF) and the expenditure to be incurred by the Province of Gauteng (“the Province”), for the consideration of the Gauteng Provincial Legislature (“the Provincial Legislature”). The budget allocates resources according to the priorities determined collectively by the Executive Council.

2. BACKGROUND

The Public Finance Management Act, 1999 (Act No. 1 of 1999) (“the PFMA”), in section 27(2) requires the Member of the Executive Council (MEC) for Finance in the Province to table the budget in the Provincial Legislature. In turn, the PFMA in section 26 requires the Legislature to appropriate money for each financial year for the needs of the Province.

The 2017 MTEF builds on the priorities established at the beginning of and during the current term of the Fifth Administration. These include reprioritisation towards core functions, thereby expanding and enhancing service delivery, strengthening and prioritising fiscal discipline to enable effective delivery on the Ten-Pillar Transformation, Modernisation and Re-industrialisation (TMR) Programme, promote economic, efficient and effective provision of public services while ensuring quality and accessibility of these services (i.e. value for money) using deliverology to fast-track the implementation of programs and projects.

In the current financial year, unallocated infrastructure funds have been set aside for allocation during the financial year as projects become ready for implementation. This will ensure that job creation efforts are increased and spending is accounted for.

The Gauteng Provincial Appropriation Bill, 2017 (“the Bill”), presents the estimates of the provincial expenditure according to current expenditure, transfer payments and capital expenditure for each vote and each main division of a vote for the 2017/18 financial year.

3. DISCUSSION

3.1 Macro-economic context

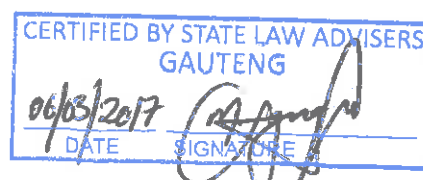


Global economic growth prospects remain mixed amid policy uncertainty of the new administration in the United States and the persistent uncertainty regarding the prospects of the United Kingdom economy, following the Brexit vote. According to the International Monetary Fund, global gross domestic product (GDP) growth for 2016 is expected to have reached 3.1 per cent, slowing marginally from the 3.2 per cent growth in 2015. The recovery in the advanced economies decelerated to 1.6 per cent in 2016, from 2.1 per cent in 2015. Growth in the emerging markets and developing economies varied somewhat, with the Chinese economy becoming more resilient due to policy stimulus, while Brazil, Argentina and Russia continued with contractions. The recovery in global growth is expected to pick-up pace in 2017 and 2018, with projections of 3.4 and 3.6 per cent, respectively.

Economic growth in the Sub-Saharan Africa region remained subdued in 2016, slowing to 1.6 per cent. Growth was held back by larger economies such as Nigeria, which contracted and South Africa where growth has slowed. Lower commodity prices slowed growth in exporting economies, resulting in widening fiscal deficits and rising government debt. Sub-Saharan Africa growth is expected to improve to 2.8 and 3.7 per cent in 2017 and 2018, respectively, as commodity prices recover.

Domestic economic growth remains restrained. The South African Reserve Bank (“SARB”) expects growth to have averaged 0.4 per cent in 2016, while the National Treasury estimates it at 0.5 per cent. The low business confidence which is reflected in the continued contraction in real gross fixed capital formation, the effects of drought conditions, the persistent labour market weaknesses and the unfavourable global economic environment are amongst factors that continue to restrain domestic growth. Moreover, consumers remain under pressure, which is reflected in the sharp contraction in the FNB/ BER Consumer Confidence Index for the fourth quarter of 2016. These outcomes, together with higher international oil prices and the continued increase in food price inflation, have affected the SARB’s medium-term inflation outlook. Headline consumer price inflation averaged 6.4 per cent in 2016, up from 4.6 per cent in 2015. With the January 2017 inflation reading of 6.6 per cent year-on-year, the SARB now expects the consumer price inflation to return to the 3-6 per cent target band in the fourth quarter of 2017, as opposed to 6.5 percent in the first quarter.

The SARB forecasts GDP growth of 1.1 per cent in 2017 amid a recovery in agricultural output and tentative improvement in global conditions and commodity prices. The National Treasury expects growth to increase to 1.3 per cent in 2017 and continue to improve moderately over the medium term.



The global and national factors have weighed in on the Province's economy. For 2016, Gauteng GDP growth is estimated to have grown by 1 per cent, down from 1.5 per cent in 2015. The 2016 economic activity in the Province was limited by contractions in the mining, construction and manufacturing sectors, in some quarters. The Province's economy has been supported by the finance, real estate and business services, and government services sectors. GDP-R is forecast to remain unchanged in 2017 before accelerating to 2.3 per cent in 2018.

3.2 Principles of budgeting

The continued challenging global economic and fiscal constraints in the global economy, along with great international policy uncertainty, continue to impact the South African economy negatively. With this in mind, the Province took great care to ensure that it utilises public resources more effectively and efficiently while drafting the 2017 MTEF. The compilation of the 2017 MTEF budget takes into account the realignment of baselines, reprioritisation within baselines, the implementation of cost containment strategy, investment in infrastructure delivery, additional funding for Gauteng priorities and the carry through costs of 2016/17 provincial adjustments. The key principles for the 2017 MTEF include the following:

- target program and projects with immediate impacts
- focus on projects linked to the deliverology approach
- consider commitments made during Ntirhisano
- actualize the Gauteng Economic Development Plan
- fiscal constraints, i.e. slowdown in revenues
- enhance social services functions

The reprioritisation is primarily directing funding to priority areas identified during the establishment of the Ten-Pillar TMR Programme and the delivery approach, areas of delivery with significant spending pressures or where programmes have been improved, shifting of funds toward core deliverables, close monitoring to ensure that the gains of cost containment measures are not reversed, and due diligence in ensuring that funds are located to infrastructure projects which are ready for implementation without impacting negatively on ongoing infrastructure projects and infrastructure maintenance requirements.

3.3 Alignment of budgeting to the TMR Programme

3.3.1 Office of the Premier



The Office of the Premier drives service delivery as the head institution of the Gauteng Provincial Government and leads in the implementation of the TMR programme and the Deliverology throughout the Province to transform the lives of all citizens in Gauteng in the current term of office and beyond.

A minimum of R16 million per annum over the next three years is allocated to further implement the Deliverology Approach that facilitates translating strategy into delivery in the public sector with an emphasis on access to reliable data on progress made. These amounts cater for the provision of services and human resources required for driving the Deliverology Approach to improve the citizen experience in Gauteng by 2019.

Linked to the TMR priority of building a more activist and responsive government, the direct service delivery monitoring has been intensified to improve the resolution of local community and frontline service delivery challenges. The Service Delivery Monitoring programme that is aligned to the Ntirhisano outreach programme and monitoring system is allocated a total of R8.5 million over the next three years.

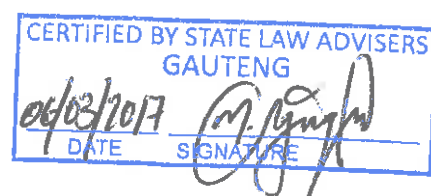
Amounts of R2 million, R2.1 million and R2.2 million are allocated in 2017/18, 2018/19 and 2019/20, respectively, to fund the Gauteng City Region (“GCR”) Integrated Infrastructure Master Plan that will guide key infrastructure investment in the city region and will contribute to the efficient rollout of capital programmes.

In line with the priorities for Gauteng, a total amount of R6.3 million is allocated for the implementation of the Governance and Planning Roadmap during the next three years. The Roadmap aims at improving public service performance, accountability and excellence, and delivering on the TMR programme.

3.3.2 Provincial Legislature

In order to ensure an alignment with the provincial TMR programme, the Provincial Legislature’s strategic objectives are aimed towards transforming and modernising governance, re-engineering public participation and the transformation of law-making processes within the context of the Integrated Global City-Region and Connected Government.

The Provincial Legislature will continue to create an environment that develops and enacts legislation that facilitates the implementation of the TMR vision. Such an environment requires an active political



participation. Therefore, R114.9 million has been made available to support political parties through political party funding and constituency allowance for members. This amount increases to R121.6 million and R128.6 million in 2018/19 and 2019/20, respectively.

In 2017/18, R23.4 million is made available in order for the Provincial Legislature to continue to develop and implement laws that create an enabling environment to better the lives of the people of Gauteng through consultation processes or public hearings, by consolidating law making processes and all the feedback from citizens, as well as by reviewing the impact of laws passed on the lives of the citizens. This amount increases to R25.3 million in 2018/19 and R27.3 million in 2019/20.

The Provincial Legislature will strive to intensify Bua le Sechaba campaigns to promote meaningful public participation including dialogue sessions that are aimed at generating ideas and addressing issues of importance. Therefore, an amount of R1.2 million is allocated in 2017/18 and it increases to R1.3 million and R1.4 million in 2018/19 and 2019/20, respectively.

3.3.3 Economic Development

The department is responsible for supporting the implementation of three pillars, namely radical economic transformation, re-industrialisation of the Province and taking the lead in Africa's new industrial revolution.

With regard to the radical economic transformation, the Province is allocating R127 million over the MTEF to provide for the Township Economy Revitalisation Programme and to regenerate the township infrastructure. The programme is crucial in stimulating and sustaining the SMME township entrepreneurship.

The department, through Gauteng Enterprise Propeller, will continue to provide financial support to 1385 SMMEs, in line with the Township Economy Revitalization Strategy. Non-financial support interventions will be provided to 2 410 SMMEs. To meet the demand for formalisation of informal businesses, 2 400 informal businesses will benefit from the Business Development Support interventions. These interventions are aimed at providing business management skills development opportunities to SMMEs, access to markets and profiling small businesses in the Province to attract investment and other funding mechanisms.

Job creation remains a priority for the Province. The Accelerated Youth Placement Programme receives R20 million in 2017/18 to assist in identifying opportunities that will create jobs, growth and equity for the youth.



Biosciences Park Facility and eKasi Labs is allocated R42 million in 2017/18 to facilitate and deliver sustainable and high growth start-up companies that create decent jobs and promote a culture of innovation within the township economy.

An amount of R65.2 million is allocated over the MTEF for the GCR Economic Development Plan 2030 to save and create decent jobs through focus on sector transformation, industrialisation, skills development, leveraging on public procurement and township economy to build an inclusive and sustainable economy.

The department receives R25.2 million over the MTEF to provide for the bidding and hosting of events such as Gauteng Summer Cup, Joburg Shopping Festival, and Joy of Jazz Festival. These events yield positive impact on the economy such as international exposure, revenue generation, job creation, skills development, social cohesion and higher levels of local trade and tourism development.

3.3.4 Health

The department is committed to providing quality, efficient and accessible healthcare to improve people's lives through the implementation of accelerated social transformation as one of the pillars of the TMR Programme. Improving the health of the citizens of Gauteng remains a key provincial priority and this is evident through prioritised funding from the provincial resource envelope.

The prevention and reduction of the burden of communicable diseases such as HIV/AIDS, tuberculosis and STI infections and other prevalent non-communicable diseases like hypertension and diabetes remain at the centre of the department's strategic programmes. The anti-retroviral therapy (ART) programme includes projects such as the test and treat, TB screening and treatment, provision and expansion of male circumcisions, provision of female condoms and reducing mother-to-child transmission of HIV to increase life expectancy. The budget allocated towards these priorities is R3.7 billion in 2017/18.

The primary health care is allocated a total of R9 billion in 2017/18 that increases to R9.5 billion in 2019/20 to enhance service delivery outcomes in district hospitals, community health clinics and centres as well as other community-based services in the Province and municipalities. Further increase in the budget in 2018/19 results from the introduction of the Human Papillomavirus Vaccine (HPV) grant to fund the administering of the vaccine to girls aged 9-10 years in order to reduce cervical cancer.



The Emergency Medical Services (EMS) remains a priority of the department. To improve the capacity, the EMS Programme is allocated R990 million in 2017/18 and this amount increases to R1.1 billion in 2019/20. This amount caters for the EMS professionals and the provision of bursaries to employees and non-employees. To improve the turnaround times, the EMS receive R81 million in 2017/18 which accumulates to R257 million over the 2017 MTEF. This amount provides for replacing the fleet, increasing the fleet size and repairing and maintaining existing fleet through township hubs in Winterveldt, Katlehong, Soweto, Kagiso and Sebokeng. The department plans to procure rapid response vehicles and 120 new additional ambulances to be distributed across the Province.

Infrastructure delivery continues to receive attention. A total budget made available for investment in health infrastructure amounts to R1.6 billion in 2017/18, which accumulates to R3.3 billion over the medium-term.

To support the provision of quality healthcare to the needy citizens of the Province, R770 million is added to the budget baseline in 2017/18 and it increases to R1 billion in 2019/20. These amounts are allocated mainly to fund the provision of medicine and medical supplies in central hospitals, to fund the agreed annual salary adjustments for health professionals in the service delivery programmes and to fund the hiring of nurses to reduce reliance on nursing agencies.

3.3.5 Education

The policy imperatives and budget of the department are aligned to the TMR programme. The pillars that the department responds to are the radical economic transformation, accelerated social transformation, transformation of the state and governance and modernisation of the public service. Government believes that an uneducated nation is a nation that has no future. The future of the Province therefore depends on the investment in education that we make today to secure a better future.

The Secondary School Intervention Programme (“SSIP”) which focuses on improving Mathematics, Science and Technology in the FET phase to improve the quality of education in the Public Schooling System is allocated R319 million over three years. A further R476.3 million is allocated over three years to improve the Grade 12 performance and to increase the bachelor pass rates. In the 2017 academic year, the SSIP initiative will be offered at 140 SSIP sites catering for 60 000 learners. The programme will be offered via Saturday classes, the holiday programme for all SSIP Grade-12 learners during the March, June and September holidays. This special holiday intervention is designed for progressed and high risk learners. R1.3 billion is allocated over three years for the learner and teacher support material (“LTSM”).



Teacher development and support initiatives are allocated R586.9 million over the next three years to provide training on subject content, performance assessments, improvement in teaching and learning methodologies and to prepare and support the institutionalisation of information, communication and technology (“ICT”) in schools. R1.4 billion is allocated over the next three years for skills development to facilitate the transition to post-school opportunities and increase the number of post-school opportunities offered, including bursary opportunities. The Master Skill Plan 2 will respond to the skill needs of the GCR given the economic realities of the province.

Access to quality Early Childhood Development (“ECD”) provides young children with a better foundation. Government is committed to increasing the number of children accessing this crucial building block of learning. The department will expand Grade R to all public schools. A budget of R630.9 million is allocated for this programme over the MTEF.

The department continues to support the poverty alleviation programmes currently in place as part of social cohesion and contributes to these through the following initiatives: improving school nutrition, increasing access to schooling through the no-fees schools and provision of free scholar transport to children living more than 5km from schools. This also involves the school safety programme where Government is committed to eradicate all social ills and crime in our schools, ensuring that children are physically healthy and active for better academic performance through the school sport and ensuring that the learners with special education needs (“LSEN”) receive the support and care they deserve. This will be achieved through various initiatives like the expansion of the sign language training and improving access to full service schools, for all these programmes. A total allocation amounts to R7.3 billion over three years.

The department is modernising and improving public education. The department has formulated the E-Learning strategy that represents an integrated and comprehensive approach that undertakes to align ICT and e-Education initiatives to a broader vision of the department. The strategy outlines the department’s activities to upgrade its ICT capacity to improve curriculum delivery in classrooms, to improve school management systems, to build teacher ICT capacity, to improve digital literacy and skills in school graduates and to optimize utilisation of connectivity and training in respect of devices. A budget of R1.9 billion is allocated for these initiatives over the next three years.

3.3.6 Social Development



The department contributes to accelerated social transformation by addressing the challenges of unemployment, poverty and inequality. It remains Government's focus to protect vulnerable groups by increasing attention towards care and services to older persons and services to persons with disabilities. The related projects include active aging programmes, operationalisation of newly-completed residential and community-based care proto-types and implementation of the Anti-Elder Abuse Strategy. In the 2017/18 financial year, the department plans to fund 264 community-based care facilities that provide support to 23 404 older persons. An amount of R15 million is allocated towards this initiative in the 2017/18 financial year.

Persons with disabilities will also be supported through implementation of independent living programmes, provision of the socio-economic empowerment programmes and increase accessibility of protective workshops services. An amount of R100 million is allocated in the 2017/18 financial year towards services to people with disabilities.

Funds have been made available for the initiative of extending war on poverty to the poorest households across the Province. In line with this initiative, R165 million is made available over the MTEF to provide services to households through food parcels and food banks. In addition, R456 million is allocated over the MTEF for the school uniform project and priority will be given to those companies belonging to the people with disabilities and community-based cooperatives.

The Welfare to Work programme receives R86 million over the medium term to move 20 000 people from state of dependency towards sustainable livelihoods through initiatives such as skills development and stipends, linking the poor youth, women and men to job opportunities and also linking the beneficiaries to NPOs as part of the in-service training.

An amount of R547 million is allocated over the MTEF for the anti-substance abuse social movement, substance abuse preventative programmes and local drug actions committees, expansion of substance abuse treatment centres and the replication of Centres of Excellence. The Centres of Excellence will further be rolled out in Johannesburg, Sedibeng and Ekurhuleni.

The department will continue to improve ECD social infrastructure and the programme within the 50 prioritised townships across the Province. A total amount of R1 billion is allocated over the medium term for non-centre based projects, mobile services, toy libraries and play groups, minor renovations including ablution facilities, standardised meals for additional children in poorest wards, capacity building and impact



assessments of children in ECD centres. Furthermore, the department has allocated R1, 2 billion over the medium term towards the subsidy of children in centre-based ECD facilities across the Province.

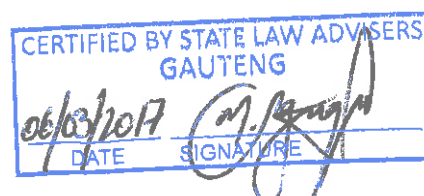
3.3.7 Cooperative Governance and Traditional Affairs

In order to support Pillar 4 of the TMR, namely transformation of the state and governance, R8.6 million is allocated to assist the Rand West Local Municipality with post-merger funding for salary disparities. Furthermore, the department will continue to prioritise the implementation of the Public Participations Framework through the advocacy initiatives and participatory democracy process using the Community Development Workers (CDWs). In addition, CDWs will be used to support the implementation of IDP process, ward committees and izimbizo. A budget of R33.9 million is allocated over the 2017 MTEF to provide for the abovementioned interventions. An amount of R9 million is allocated over the MTEF to enhance public participation through training of Ward Committees and Councilors. In terms of capacity development, R10 million is allocated over the medium term to support the Back-to-Basics capacity building of technical skills within municipalities.

3.3.8 Human Settlements

The budget and plans of the department are aligned to the TMR pillars relating to the decisive spatial transformation, accelerated social transformation, modernisation of the public service and modernisation of human settlements and urban development. The total allocation for the conditional grant amounts to R5.5 billion in 2017/18. Through the Human Settlements Development Grant (HSDG), the department will spend a total amount of R968 million in 2017/18 in the Central Corridor on mega projects that include Goudrand Extension 24, Diepsloot and Cosmo City. Another R1.1 billion will be spent on mixed housing development projects as part of a decisive spatial transformation and modernisation of human settlements in the Northern Corridor on projects such as Winterveldt Phase 2 and Nelmapius.

An amount of R924 million is allocated in the Eastern Corridor in 2017/18 for the continuation and implementation of projects such as Chief Albert Luthuli, Tsakane Extension 22 and Germiston South. A total of R1 billion is set aside for the Western Corridor to deliver projects such as Westonaria Borwa Mixed Housing Development, the continuation of Chief Mogale, Kagiso Extension 13, Kokosi Extension 6 and Munsieville Extension 9. Funding of R914 million allocated to the Southern Corridor in 2017/18 will yield mixed housing developments in Sebokeng Extension 28 and 30, Finance Linked Subsidy projects such as



Savannah City and Vanderbijlpark Central East No.7 and the provision of access to basic services in areas such as Sicelo Shiceka, Mamello and KwaZenzele Phase 2.

An amount of R167 million in 2017/18 and that accumulates to R330 million over the MTEF from the HSDG is allocated for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands and to provide personnel and the tools of trade needed for these activities. The allocation will also deal with the Extended Discount Benefit Scheme and the transfer of housing properties to beneficiaries. Included in the HSDG in 2017/18 is an amount of R129 million which is earmarked for revamping mining towns which include Merafong City, Rand West and Mogale City, while R214 million is made available in the next two years of MTEF for the continuation of the same projects.

3.3.9 Roads and Transport

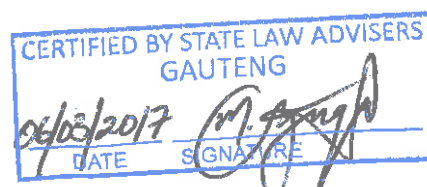
The functions of the department are aligned to the pillars of modernisation of public transport infrastructure, radical economic transformation and modernisation of the public service. The department contributes to stimulating economic growth by creating permanent jobs and employment opportunities. The construction of economic infrastructure lends itself to increased job creation opportunities, the promotion of local entrepreneurs, empowering women in construction and poverty reduction. Some of the projects to be implemented along developmental corridors include the following:

Central Development Corridor

Over the 2017 MTEF period, R476.7 million is allocated with the largest share of the budget allocated towards upgrading and additions with R400.7 million and rehabilitation with R75.9 million. Key projects to be completed in 2017/18 financial year include K46 (P79 - 1): Upgrading from single to dual carriageway of Road K46 (P79 - 1) William Nicol from PWV5 to Diepsloot / N14 Phase 2 and upgrading of D1027 (Cedar Road) from Uranium road to valley road including associated works on Cedar road which also includes R114 intersection.

Eastern Development Corridor

A budget of R12.6 million is allocated for 2017/18 financial year and R44 million for the outer two years of MTEF. Key projects include the completion of the rehabilitation of road P41/1.



Northern Development Corridor

A budget of R180.8 million is made available during the 2017/18 financial year and R140.4 million available for the next two years of the MTEF. Key projects include the upgrading of D1944 from a gravel road to a tarred road and the rehabilitation of road D670 from Bronkhorstspuit to Ekangala, K69 (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54), K16 between Watloo and Mamelodi (Tshwane) and K97 (P1-3) R101.

Southern Development Corridor

This corridor is allocated a budget of R157.6 million for 2017/18. Key projects include the upgrading of the Vaal River City (Interchange and access road), Ascot Ave (future K55) and the Barrage road (K174) 2 km which will form part of the direct route southwards to the Free State province, Sebokeng Drivers Licence Testing Center (DLTC). Upgrading of Sebe Road and rehabilitation of roads P46/1 and road D904 to include dedicated turning lanes and fitter lanes for intersections as well as upgrading from single to dual carriageway budgeted at a cost of R10.9 million and planned for completion in 2017/18 financial year.

Western Development Corridor

A budget of R16 million is allocated towards this corridor in the 2017/18 with R58.1 million made available in the next two years. Key projects include construction and maintenance of the traffic control centres and Provincial weighbridges around Krugersdorp region. The construction is planned for completion during 2018/19 financial year. The Gautrain Management Agency will receive a total of R1.8 billion in the 2017/18 financial year, R1.9 billion in 2018/19 and R2 billion in the 2019/20 financial year.

3.3.10 Community Safety

The department's budget is aligned to the TMR pillars relating to accelerated social transformation, transformation of the state and governance, modernization of the public service and radical economic transformation. An amount of R44.9 million is allocated in 2017/18 to improve community-centred policing. To improve the effectiveness of their role in community safety, the community policing forums (CPFs) will be provided with capacity and training. These funds will also provide for increasing the involvement of

ward councillors in policing and for increasing support and monitoring of the Community Safety Forums (CSFs) and street committees.

In relation to social crime prevention, the department will strengthen police oversight by continuing with improving oversight in underperforming police stations. R52.6 million is allocated in 2017/18 towards this intervention. To contribute towards the reduction in violent crimes, R31 million is allocated for monitoring SAPS compliance with the Domestic Violence Act, 1998 (Act No. 116 of 1998), and implementation of recommendations made by the department and for coordinating the Criminal Justice System such that it identifies and addresses the generators of crime.

A total budget of R158.1 million over three years is allocated toward the reduction of crimes against women and children. The initiatives to be funded from this amount include the monitoring of deployment of forensic social workers within the Criminal Justice System and legal experts to heighten the systems and services at Ikhaya Lethemba, monitoring of the Family Justice Support services rendered to the victims of gender-based violence and expansion of Regional Victim Offices to support the victims of gender-based violence.

The road safety initiatives in the Province are allocated R374 million in 2017/18, R398 million in 2018/19 and R427 million in 2019/20. The department remains intent on reducing road fatalities and therefore it aims to reduce road traffic fatalities by 10 per cent in 2017/18 through implementing targeted road safety and law enforcement operations. One of the interventions to improve safety of pedestrians on the road involves the departmental Road Safety Officers providing safety awareness sessions to communities in and around potential and statistically identified hazardous locations.

3.3.11 Sport, Arts, Culture and Recreation

The promotion of nation building and social cohesion remains the key focus area through various sporting, artistic, cultural and recreational programmes and projects. This is aligned to accelerated social and radical economic transformation. The 2017 MTEF budget and programmes of the department support this cause accordingly.

Social reforms will be intensified through sport, art and cultural activities which increase interaction among citizens and reinforces heritage values. These activities include creative industries' internationally recognised major arts and cultural events, such as music development and the Gauteng Carnival, the



integrated mass participation social cohesion community games and the Learn to Swim water safety programme. The total amount allocated for the activities is R27.8 million in 2017/18 and increases to R36.8 million in 2019/20.

The department has also partnered with Nelson Mandela Foundation to host the 3rd Annual Mandela Remembrance Walk in the City of Tshwane which includes a run activity as from the year 2017. The commemoration of heroes and heroines of the liberation struggles will also include the centenary celebration of OR Tambo through the OR Tambo Soncini Games. Funds allocated for these two programmes amount to R15.7 million in 2017/18 and grows to R18.5 million in 2019/20.

The department will continue to bid for and host national and international sporting events. A total amount of R53.1 million is allocated over the MTEF for supporting sporting events, such as the Soweto Marathon, Arnold Games, Under 17 Future Champions, Boxing, the Southern Sunshine Golf Tour and the Gauteng Champion of Champions Football Cup.

An amount of R139.2 million is made available over the MTEF for the completion of heritage sites such as Kagiso, Boipatong and Women's Living monuments. A further amount of R6.9 million is allocated for turning Liliesleaf in Rivonia into a Centre of Remembrance. This facility will continue to preserve the memories of our revolutionary struggles and paving a path for national building and a better society.

In aligning to the pillar of modernisation of human settlements and urban development, the department will operationalise new libraries by providing funding and library materials such as books and furniture from the amount of R54 million allocated over the MTEF period. The Mzansi Online ICT project will be implemented in 15 libraries for which R18.9 million is allocated over the 2017 MTEF period. In the 2017/18 financial year, R20 million is made available for 10 multi-purpose sports facilities in the Western and Southern development corridors. This project will receive another R20 million in 2018/19 and 2019/20 to cover other development corridors within the Province.

3.3.12 Agriculture and Rural Development

The budget of the department supports the transformation, modernisation and re-industrialisation programme. The department receives R2.8 billion over the 2017 MTEF to implement their programmes. Farmer support and development is allocated R616 million, for the same period, to mainstream urban agriculture through construction of hydroponic and poultry structures in Eastern and Northern development



corridors as part of the re-industrialisation. Included in this amount is R38 million allocated for Fetsa Tlala project which is an agricultural support programme that is aimed at providing grain and vegetable production inputs, on-farm infrastructure and construction of piggery structures.

The department is allocated R235 million over the 2017 MTEF mainly for the development of new high technology Agri-parks Agrotropolis project in Eastern and Northern development corridors. The department will continue to maintain and expand the existing Agri-parks and milling plants in Tarlton, Westonaria, Sebokeng and also the development of new Isigayo milling plant in the West Rand corridor.

An amount of R143 million is made available over the 2017 MTEF for the implementation of Agro-processing infrastructure to enhance investment in food and beverage sector and to increase the barley production and malting. This amounts also provides for the implementation of De Deur Greenhouse Project, West Rand Agro-processing Hub Phase1 and the upgrade of the Vereeniging Fresh produce market.

With regard to community services and animal health care, R284 million is allocated over the 2017 MTEF to provide for the primary animal health care and township mobile clinical veterinary services targeted at small scale farmers, disease control in animal health regulatory veterinary interventions with emerging and commercial farmers, surveillance, biosecurity compartment inspections and mobile abattoir projects linked to Township Economy Revitalisation.

The environmental management priorities are catered for in R66 million that is allocated to fund the Gauteng Climate Change Over-Arching Strategy and Climate Resilient Cities Program as well as support and maintenance of the EIA Review System. In addition, R187 million is made available over the 2017 MTEF for Bontle ke Botho cleaning and greening campaigns, air quality management and 10 ambient monitoring Infrastructure maintenance within the Province.

Biodiversity management is allocated R391 million for effective implementation of Nature Reserves Management Plan, eradication of the maintenance backlog in six departmental nature reserves and provincial infrastructure maintenance and creating green jobs in departmental nature reserves over the 2017 MTEF.

3.3.13 e-Government

In support of the province's goal of providing 100 percent connectivity by 2019, progress has been made in increasing the number of access sites through the rollout of the Gauteng Broadband Network across the



GCR. There will be 785 sites provided with connectivity in 2017/18; 836 and 458 sites in 2018/19 and 2019/20, respectively. The rollout will cover more Thusong Centres, schools and clinics in the historically marginalised areas such as townships and informal settlements. It will also contribute to the provincial initiative of improving and converting the township economy into the digital age.

The department will continue to facilitate the provision of ICT infrastructure that supports delivery of e-government services. Included in the delivery of e-government services are the initiatives to digitise the government's back office functions including various HR-related processes. A total allocation of R1 billion is provided in 2017/18; R801.6 million in 2018/19 and R842.1 million in 2019/20 to deliver on this mandate.

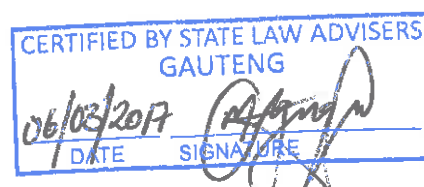
3.3.14 Provincial Treasury

The role of the Provincial Treasury is central to the achievement of the Ten-Pillar TMR Programme to ensure that the Province is developed into an integrated, socially cohesive, economically inclusive city-region, underpinned by a smart and green industrial economy. An amount of R122.6 million is allocated in 2017/18 to provide for the interventions that will contribute to the radical transformation of the economy through the provincial supply chain management. This amount increases to R130.9 million in 2018/19 and to R132.1 million in 2019/20. These interventions relate to the revitalisation and mainstreaming of the township economy and development of SMME's and cooperatives.

The budget amounting to R141.7 million, R151.2 million and R160 million in each year of the MTEF is allocated to enable the Provincial Treasury to support the implementation of the Ten-Pillar TMR Programme by allocating funds to areas that will enable the Province achieve its objectives. The financial resources provided to the Provincial Treasury also fund GIFA and provincial infrastructure management function that contribute to the provision of key infrastructure investment required in the city region and contribute to the rollout of capital programmes in the Province.

3.3.15 Infrastructure Development

The department contributes towards the radical economic and social transformation, modernisation and re-industrialisation of the Province by accelerating integrated service delivery, maintaining and managing the public infrastructure and deploying build environment professionals while encouraging the active participation of an empowered citizenry.



The department contributes to the economic transformation through Extended Public Works Programme by coordinating the creation of work opportunities, training and skills development within the Province. The initiatives such as Zivuseni, National Youth Service and contractor incubation programme contribute to the economic transformation. The budgets of R263.6 million, R278.9 million and R295.1 million are allocated in 2017/18; 2018/19 and 2019/20, respectively.

The operationalisation of the Infrastructure Development Management Systems (IDMS) continues to be a priority of the department. The IDMS is a strategic framework detailing the preferred method of implementing infrastructure projects in the Province and it aims to attract and retain provincial infrastructure delivery capacity. An amount of R834 million is allocated to this priority over the 2017 MTEF.

A total budget of R2.4 billion is allocated over the 2017 MTEF for the devolution of property rates. This budget is disaggregated into an amount of R757.5 million in 2017/18, R801.4 million in 2018/19 and R847.9 million in 2019/20.

4. PROVINCIAL FISCAL FRAMEWORK

4.1 Provincial revenue

Table 1: Provincial Revenue Envelope

R thousand	Medium-term estimates		
	2017/18	2018/19	2019/20
Provincial equitable share	86 642 989	93 030 417	100 227 355
Conditional grants	20 828 376	22 049 148	23 617 115
Total transfers from National	107 471 365	115 079 565	123 844 470
Provincial own revenue	5 382 370	5 809 671	6 228 809
Gross Revenue	112 853 735	120 889 236	130 073 279
Less: Direct Charges Office Bearers	(82 055)	(87 717)	(93 682)
Less: Infrastructure Asset Financing Reserve	(3 181 118)	(3 869 548)	(4 951 440)
Total Revenue	109 590 562	116 931 970	125 028 157

The Province will receive R107.5 billion in the form of transfers from the national government in 2017/18, as shown in Table 1. This amount grows to R123.8 billion in the outer year of the MTEF. Conditional grants account for 19 percent of the total transfers from national government. Included in the grant allocations are

the two new grants along with the discontinuation of another. The new grants, namely Learners with Profound Intellectual Disabilities Grant and Social Worker Employment Grant, will be used to provide educational opportunities to learners with severe and profound intellectual difficulties and to address the need for new social workers and thereby reducing the backlog needed in the field. The National Health Insurance Grant will be discontinued as from 2017/18 due to the slow spending and failure to meet targets. Table 2 shows the detailed allocation per department.

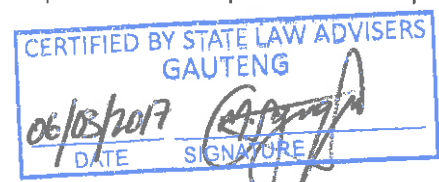
The provincial own receipts account for 4.8 percent of the total revenue available to be appropriated for the spending requirements of the Province. The direct charges against the Provincial Revenue Fund relate to the remuneration of public office bearers in line with legislative prescripts.

An amount of R12 billion is ring fenced in the Asset Financing Reserve for infrastructure projects over the MTEF. This amount will be reallocated to departments in each financial year following a rigorous process of assessing the readiness of infrastructure projects for implementation.

4.2 Conditional grants

Table 2: Summary of conditional grants

Department / Grant R thousand	Medium-term estimates		
	2017/18	2018/19	2019/20
Agriculture and Rural Development	118 932	128 010	148 864
Comprehensive Agricultural Support Programme Grant	87 136	92 333	111 351
Ilima/Letsema Projects Grant	27 673	30 278	31 974
Land Care Programme Grant: Poverty Relief and Infrastructure Development	4 123	5 399	5 539
Sport, Arts, Culture and Recreation	256 937	305 134	320 596
Community Library Services Grant	172 428	182 018	191 952
Mass Sport and Recreation Participation Programme Grant	84 509	123 116	128 644
Education	2 329 332	2 305 869	2 434 299
Education Infrastructure Grant	1 468 146	1 376 435	1 453 515
HIV and Aids (Life Skills Education) Grant	34 436	36 433	38 472
National School Nutrition Programme Grant	762 848	807 454	847 827
Maths, Science and Technology Grant	51 270	54 840	57 931
Learners with Profound Intellectual Disabilities Grant	12 632	30 707	36 554
Health	9 664 962	10 475 260	11 342 219
Comprehensive HIV, AIDS and TB Grant	3 744 381	4 239 022	4 667 945
Health Facility Revitalisation Grant	890 665	845 975	893 350



Health Professions Training and Development Grant	919 432	972 759	1 027 240
National Tertiary Services Grant	4 110 484	4 390 192	4 724 843
Human Papillomavirus Vaccine Grant		27 312	28 841
Social Development	40 942	64 538	68 212
Early Childhood Development Grant	38 489	61 883	65 343
Social Worker Employment Grant	2 453	2 655	2 869
EPWP Integrated Grant	53 178		
Agriculture and Rural Development	2 684		
Education	2 537		
Health	2 000		
Cooperative Governance and Traditional Affairs	2 000		
Infrastructure Development	19 192		
Roads and Transport	6 504		
Human Settlements	14 055		
Social Development	2 000		
Sport, Arts, Culture and Recreation	2 206		
Social Sector EPWP Integrated Grant	24 797		
Community Safety	1 463		
Education	9 791		
Health	2 663		
Social Development	9 384		
Sport, Arts, Culture and Recreation	1 496		
Human Settlement	5 528 050	5 907 304	6 270 283
Integrated Housing and Human Settlement Development Grant	5 528 050	5 907 304	6 270 283
Roads and Transport	2 811 246	2 863 033	3 032 642
Provincial Roads Maintenance Grant	656 183	607 266	650 552
Public Transport Operations Grant	2 155 063	2 255 767	2 382 090
Total Conditional Grant by Vote	20 828 376	22 049 148	23 617 115

Table 2 provides the conditional grants allocation per department. The total allocation for the Province increases from R20.8 billion in 2017/18 to R23.6 billion in 2019/20.



4.3 Provincial own receipts

Table 3: Provincial Own Receipts

R thousand	Medium-term estimates		
	2017/18	2018/19	2019/20
Office of the Premier	500	529	558
Gauteng Provincial Legislature			
Economic Development	1 016 654	1 077 654	1 142 313
Health	480 647	507 949	536 796
Education	31 056	31 971	32 770
Social Development	3 222	3 409	3 601
Cooperative Governance and Traditional Affairs	532	563	594
Human Settlements	4 897	5 181	5 471
Roads and Transport	3 473 160	3 751 012	4 051 093
Community Safety	29 457	36 821	38 959
Agriculture and Rural Development	15 591	16 386	17 304
Sport, Arts, Culture and Recreation	392	397	403
e-Government	612	638	665
Gauteng Provincial Treasury	301 500	351 611	371 301
Infrastructure Development	24 150	25 550	26 981
Total Provincial Own Receipts by Vote	5 382 370	5 809 671	6 228 809

Table 3 summarises budgeted own receipts generated by GPG departments for 2017/18 to 2019/20. Over the 2017 MTRF, the total departmental own receipts are anticipated to increase by R846.4 million or 15.7 percent from R5.4 billion in the 2017/18 financial year to R6.2 billion in 2019/20. Approximately 98 percent of total own receipts is generated from four departments, namely Roads and Transport, Economic Development, Health and Provincial Treasury). All other departments combined generate two percent of total own receipts.

There are departments that have a potential of increasing collection of own receipts. These are Community Safety through traffic infringement fines and penalties, Education through examination fees, Agriculture and Rural Development through veterinary, biodiversity and resource protection fines, and Infrastructure Development through property rental rates.

Roads and Transport is projected to increase own receipts by R578 million from R3.4 billion in 2017/18 to R4 billion in 2019/20. This comprises mostly of motor vehicle license renewal payments. In Economic Development, own receipts relating mainly to casino and horseracing taxes that are managed by the Gauteng Gambling Board are projected to increase from R1 billion in 2017/18 to R1.1 billion in 2019/20. Health is projected to increase the collection from patient fees by an annual average of 5.7 percent over the MTEF, i.e.

from R480.6 million in 2017/18 to R536.8 million in 2019/20. In the Provincial Treasury, the interest revenue is projected to increase from R301.5 million to R371.3 million over the MTEF.

5. 2015 MTEF BUDGET ALLOCATIONS

Table 4: Provincial MTEF Allocations

R thousand	Medium-term estimates		
	2017/18	2018/19	2019/20
Office of the Premier	609 310	646 587	680 935
Gauteng Provincial Legislature	674 898	715 824	761 430
Economic Development	1 413 792	1 506 450	1 583 355
Health	40 207 046	42 068 422	45 193 153
Education	40 843 869	44 378 271	46 754 956
Social Development	4 442 331	4 698 196	4 982 985
Cooperative Governance and Traditional Affairs	470 218	466 235	496 588
Human Settlements	6 186 359	6 590 572	6 991 564
Roads and Transport	6 832 291	6 690 113	6 832 838
Community Safety	678 465	718 047	759 694
Agriculture and Rural Development	916 600	938 434	974 010
Sports, Arts, Culture and Recreation	875 336	932 306	1 006 853
e-Government	1 356 832	1 168 426	1 231 414
Gauteng Provincial Treasury	712 634	764 513	813 070
Infrastructure Development	2 542 122	2 684 523	2 772 918
Total provincial estimates by Vote	108 762 102	114 966 920	121 835 763

The provincial allocation amounts to R108.6 billion in 2017/18 and it grows to R121.8 billion in 2019/20, as shown in Table 4. The total budget includes both the national and provincial additional funding. The details are explained below.

6. SUMMARY OF ADDITIONAL FUNDING

Table 5: Summary of Equitable Share Additional Funding

R thousand	Medium-term estimates		
	2017/18	2018/19	2019/20
Office of the Premier	134 921	143 434	146 777
Economic Development	29 799	38 748	27 647
Health	924 286	990 784	1 259 935
Education	1 227 045	1 898 273	2 034 347
Social Development	126 459	187 941	198 968
Cooperative Governance and Traditional Affairs	27 998	(675)	(714)
Human Settlements	(5 339)	(5 707)	(6 044)
Roads and Transport	(40 000)	(37 100)	55 968



Agriculture and Rural Development	77 000	46 685	17 983
Sport, Arts, Culture and Recreation	54 038	39 558	41 272
e-Government	85 674	90 733	96 057
Gauteng Provincial Treasury	79 096	92 569	96 842
Infrastructure Development	43 306	46 756	50 414
Total Provincial Payments and Estimates by Vote	2 764 283	3 531 999	4 019 452

The additional funding allocated to departments amounts to R10.3 billion over the next three years as shown in Table 5. This amount includes the national funding received for specific national priorities and the provincial funding allocated for specific provincial priorities. Funding for the national priorities over the 2017 MTEF relates to the sectors of health and education. Funding for the provincial priorities include the amounts allocated to continue the implementation of priorities that commenced during the 2016/17 adjustment budget and the amounts allocated for the priorities of the 2017 MTEF period. An additional R1.4 billion is received from the national government over the MTEF, of which R591.9 million and R643.6 million are allocated to Education in 2018/19 and 2019/20 for increasing the number of educators given increasing enrolment in schools and the balance of R198 million is allocated to Health in 2019/20 to address the increase in prices of medicines due to depreciation of the South African currency against the foreign currency. Out of the R10.3 billion total increase in equitable share, a total of R8.9 billion is allocated over the 2017 MTEF to fund the prioritised programmes and projects that support the implementation of the TMR. The details of allocations per department are stated below.

6.1 Office of the Premier

The Office of the Premier receives an additional R55.8 million over the MTEF to fund the provision of services and human resources required for implementing the Deliverology Approach that facilitates translating strategy into delivery in the public sector with an emphasis on access to reliable data on progress made. An additional allocation of R159 million is provided over the MTEF for intensifying the interventions for increasing youth employment in the Province through Tshepo 500 000 programme. A further amount of R193.6 million over the MTEF is shifted from Infrastructure Development to the Office of the Premier for Tshepo 500 000 project following the Executive Council's decision to move this function to the Office of the Premier. An amount of R16.7 million is allocated over the MTEF to continue the implementation of the transversal Employee Health and Wellness Programme that was transferred to the Office of the Premier during the 2016/17 adjustment budget.

6.2 Economic Development



An additional amount of R65.2 million is allocated over the MTEF for the GCR Economic Development Plan 2030. The goal of the GCR Economic Development Plan is to save and create decent jobs through focus on sector transformation, industrialisation, skills development, leveraging on public procurement and township economy to build an inclusive and sustainable economy.

The Province allocates an additional R16.5 million over the MTEF for the expansion of the Automotive Supplier Park (ASP). The ASP (which will be promoted as an attractive manufacturing and investment destination for the automotive sector) will create employment opportunities; support the needs of existing tenants; support locally grown manufacturers to compete in the global market; and release facilities suitable and ready to support Black Industrialists and Incubation programs.

Gauteng Tourism Authority receives a carry through amount of R14.5 million to contribute towards the hosting of major events in the province, including the cycling relay and Discorp Africa project.

6.3 Health

An additional amount totalling R770 million is allocated to the department in 2017/18 and it accumulates to R2.5 billion over the next three years. The amount allocated in 2017/18 includes R500.7 million to provide goods and services such as medicine, medical supplies, oil, gas, fuel and consumable supplies. The remaining R270 million is allocated for the salary adjustments of health professionals, appointment of nursing staff and payment of danger allowance as per the 2015 Resolution No. 4 of the Public Service Coordinating Bargaining Council.

An amount of R494.1 million is allocated over the MTEF to continue providing for a shortfall in salary increases as per the public sector wage agreement. These funds were initially allocated during the 2016/17 adjustment budget.

6.4 Education

The department receives an additional amount of R1 billion in 2017/18, of which R450 million is for the appointment of additional educators towards the attainment of the learner educator ratio. In light of the increasing number of learners being enrolled in the Province scholar transport is receiving R216 million. To improve learning capacity of learners in schools and to alleviate poverty, R205 million is allocated for school nutrition programme that will feed a total of 1 293 111 learners in no fee schools. An amount of R88



million is allocated to fund the cost of municipal services in schools and the procurement and replacement of school furniture in existing schools. R20 million is provided for software licences in respect of office packages, for SITA in respect of usage of transversal systems, e.g. BAS and others, and for the system for examinations. An amount of R82 million is allocated to subsidise learners in registered Independent Schools. The total additional funding over the medium term amounts to R3.4 billion.

An amount of R533 million is allocated over the MTEF to continue providing for posts that were initially allocated funds during the 2016/17 adjustment budget.

6.5 Social Development

Social Development is receiving an additional R88 million in the 2017/18 financial year. An amount of R41.8 million is for the provision of 300 extra beds in Randfontein Treatment Centre and R12.6 million is for the establishment of the Centres of Excellence in the Johannesburg and Sedibeng regions. These centres are a replica of the Father Smangaliso Mkhathshwa model in Soshanguve where the youth recovering from substance abuse are empowered with skills through development programmes that will render them employable upon completion of their treatment programme. This will ultimately contribute to their positive participation in the mainstream economy. The centres offer training programmes such as hospitality, carpentry, tiling, bricklaying, plumbing, welding and computer literacy. The centres also provide a platform for unemployed youth to access internet for job opportunities. R13.9 million is allocated for creating additional bed capacity for a treatment facility in Sedibeng and R19.2 million is allocated to cater for the inflationary effects on the personnel cost. The total additional funding over the MTEF amounts to R389.6 million.

A total amount of R123.8 million is allocated over the MTEF to continue implementing the projects of establishing the treatment centres and centres of excellence in Randfontein, Johannesburg and Sedibeng that were initially funded during the 2016/17 adjustment budget.

6.6 Cooperative Governance and Traditional Affairs

A total amount of R2 million allocated for goods and services over the MTEF for the land use management function is reallocated to Infrastructure Development following a proclamation to centralise land management matters in Infrastructure Development. A further R8.6 million is allocated in 2017/18 to assist



the Rand West Local Municipality with post-merger funding for salary disparities. An amount of R20 million is made available in 2017/18 for Khutsong water infrastructure replacement and refurbishment.

6.7 Human Settlements

A total amount of R17.1 million allocated for personnel over the MTEF for the land use management function is reallocated to Infrastructure Development following a proclamation to centralise land management matters in Infrastructure Development.

6.8 Roads and Transport

An additional R50 million is allocated to the department in 2017/18 to cover the increased costs of publishing information on public transport licenses in the *Provincial Gazette*. This amount increases to R55.9 million in 2019/20. The MTEF allocations are reduced by R90 million in 2017/18 and R90 million in 2018/19 to set off the amount that was allocated to supplement the budget for Gautrain to cover legal settlements in 2016/17 against the future allocations of the department.

6.9 Agriculture and Rural Development

The department is allocated an additional R141.7 million over the 2017 MTEF. This amount includes R39.7 million allocated for urban agriculture, R23 million allocated for agro-processing to enhance investment in food and beverage sector and R71 million allocated for Agri-parks Agrotropolis project. Funds provided for the urban agriculture will contribute to the alleviation of hunger and poverty in the Province through three types of agricultural initiatives, namely community food gardens, homestead food gardens and school food gardens, that aim to increase food security in vulnerable households including women and children, unemployed youth and people living with disabilities.

The Province is prioritising the initiatives that support agro-processing industries in order to contribute to the creation of employment opportunities and to the overall economic growth. The additional funds are provided for infrastructure support and for training and institutional support of cooperatives, beneficiaries supported under the government land reform programmes, second economy farmers and the second economy agricultural cooperatives.



The Province is providing funds for agri-parks to develop smallholder farmers so that they can move from the informal sector towards greater integration and participation within the mainstream, commercial agricultural economy. In 2017/18, three new agri-parks will be developed and the infrastructure of Tarlton Agri-park will be expanded. The new agri-parks will be located in Ekurhuleni Metropolitan Municipality, one in the area of Springs and another in Tembisa, and one in Lesedi Local Municipality.

6.10 Sport, Arts, Cultural and Recreation

The department is receiving an additional R54 million in 2017/18, R39 million in 2018/19 and R41 million in 2019/20. This includes a once-off allocation of R6.9 million in 2017/18 to contribute towards the preservation and conversion of Liliesleaf Farm into a centre of memory as a heritage site. An amount of R5.3 million is allocated in 2017/18 to enable the Province to host the 3rd Annual Mandela Remembrance Walk in the City of Tshwane and a further R4.5 million is received to support the Nelson Mandela Race in 2017. The department will continue the support for national and international sport, arts and culture events through supporting and coordinating sporting events such as International Rugby, for which R1.5 million is allocated in 2017/18. R14.3 million is allocated in 2017/18 towards the OR Tambo Soncini Games, Social Cohesion games and continued support for the Community Games programme, a multi-coded sport programme organised in communities across the Province to create opportunities for youth, coaches, legends, administrators, etc. The department receives R20 million in 2017/18 for ten multi-purpose sports facilities in the Western and Southern development corridors to provide an opportunity for community members to embrace a healthy and active lifestyle. The Learn to Swim Programme is receiving R1.5 million in 2017/18 to promote and maintain the water safety which will be implemented in all corridors in striving towards reducing the burden of drowning in the province.

6.11 e-Government

The allocations for the Gauteng Broadband Network project increase by R90 million in 2017/18, R95.3 million in 2018/19 and R100.9 million in 2019/20 to roll out the broadband network across the GRC. This involves provision of connectivity to a total of 2 079 sites by 2019/20, namely 785 sites in 2017/18, 836 in 2018/19 and 458 in 2019/20).

An amount of R16.7 million is reallocated to the Office of the Premier over the MTEF to continue the implementation of the transversal Employee Health and Wellness Programme that was transferred during the 2016/17 adjustment budget.



The department receives R2.9 million over the MTEF from the Provincial Treasury to continue to fund the costs of the Document Management Centre personnel transferred to e-Government during the 2016/17 adjustment budget.

6.12 Provincial Treasury

The department receives an additional R10 million per annum in 2017/18 and 2018/19 to fund the probity audits that aim to improve transparency in government procurement processes through the open tender process. Eighty percent of 2017/18 procurement plans will be subject to probity audit and hundred percent of 2018/19 procurement plans are targeted for the probity audit. A further R20 million is allocated in 2019/20 to audit 100 percent of procurement plans.

An additional R10 million per annum is allocated in 2017/18 and 2018/19 to continue the supplier development and incubation programme that is aligned with the Township Economy Revitalisation programme and strategy that promotes access to markets for township based businesses.

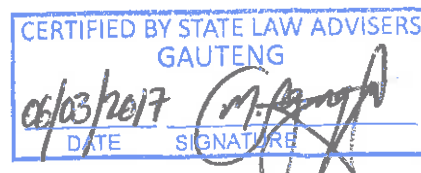
To phase in the implementation of the generic organisational structure of the department over three years, R60 million is allocated in 2017/18; R73.5 million in 2018/19 and R77.9 million in 2019/20.

An amount of R2.9 million over the MTEF is reallocated to e-Government to continue to fund the costs of the Document Management Centre personnel transferred to e-Government during the 2016/17 adjustment budget.

6.13 Infrastructure Development

The department receives R256.9 million over the 2017 MTEF period to continue developing, updating and maintaining the provincial government's immovable asset register that is aligned with the Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007), and that will allow for future growth of the Province to integrate with its infrastructure capabilities.

As a custodian of provincial government properties, the department is allocated an additional R58 million during over the next three years to cater for higher costs of security services provided in government properties including six new office spaces leased for government departments.



The department receives a total of R19.1 million over the 2017 MTEF from Human Settlements and from Cooperative Governance and Traditional Affairs for the land use management function following a proclamation to centralise land management matters in Infrastructure Development.

An amount of R193.6 million allocated over the MTEF for the Tshepo 500 000 project is reallocated to the Office of the Premier to centralise the prioritised service delivery programmes that are linked to the TMR programme.

7. SUMMARY OF GPG INFRASTRUCTURE ALLOCATIONS

The Gauteng Provincial Government has allocated R31.9 billion for the delivery of infrastructure projects which are shovel-ready over the 2017 MTEF period.

Table 6 below summarizes the budget allocation by vote over the 2017 MTEF. The biggest share of R17.7 billion is allocated to Human Settlements, followed by Education with R6.2 billion and Roads and Transport with R3.9 billion.

Table 6: Summary of GPG Infrastructure by Department

R thousand	Medium-term estimates		
	2017/18	2018/19	2019/20
Health	1 601 777	865 775	914 338
Education	1 745 366	2 404 056	2 023 651
Social Development	79 967	2 000	-
Human Settlements	5 556 746	5 922 794	6 286 672
Roads and Transport	1 683 023	1 231 184	1 054 777
Agriculture and Rural Development	12 309	31 386	25 250
Sport, Arts, Culture and Recreation	153 127	76 646	105 031
Infrastructure Development	75 934	70 925	-
Total	10 908 247	10 604 766	10 409 719

GPG infrastructure is funded through conditional grants and provincial equitable share. Over the 2017 MTEF, a total of R26.7 billion is funded from conditional grants of which R17.7 billion is from the Human Settlements Development Grant. The remainder of R5.1 billion is funded from the provincial equitable share. Infrastructure delivery is a combination of planning, administrative and managerial actions associated with the construction, supply, refurbishment, rehabilitation, alteration, maintenance and or disposal of assets. The management of the supply chain management process is critical in order to improve the project outcomes and GPG is implementing practical reforms in line with the recently issued Standard of



Infrastructure Procurement and Delivery Management (SIPDM) to intensify planning and implementation efforts on the infrastructure delivery chain. The implementation of this reform is premised on the Asset Finance Reserve Strategy whereby an amount of R12 billion that is ring fenced for infrastructure projects over the MTEF will be reallocated to departments in each financial year following a rigorous process of assessing the readiness of infrastructure projects for implementation.

8. JOB CREATION IMPLICATIONS

The Province contributes to job creation through the EPWP Integrated and Incentive Grants, procurement of goods and services as well as infrastructure delivery.

9. ORGANISATIONAL AND PERSONNEL IMPLICATION

The total amount allocated for compensation of employees amounts to R 60.7 billion in 2017/18, R 65 billion in 2019/20 and R69.2 billion in 2019/20.

10. FINANCIAL IMPLICATIONS

The provincial main appropriation amounts to R108.8 billion in 2017/18, R114.9 billion in 2018/19 and R121.8 billion in 2019/20. The social sector departments, namely Health, Education and Social Development, receive 79.2 per cent of the total appropriation in each year of the MTEF.

11. COMMUNICATION IMPLICATIONS

The Main Appropriation Budget will be submitted to stakeholders, including the Provincial Legislature, Gauteng Provincial Government departments and the National Treasury.

12. CONSTITUTIONAL AND LEGAL IMPLICATIONS

The provincial budget is compiled in compliance with formats and timelines prescribed by the National Treasury and is tabled to the Provincial Legislature in terms of section 215 of the Constitution of the Republic of South Africa, 1996.

13. OTHER DEPARTMENTS OR BODIES CONSULTED



Provincial Treasury has extensively consulted with all the affected departments with regard to all the allocations made in the Main Appropriation.

14. CLAUSE BY CLAUSE ANALYSIS

Clause 1 defines important words and phrases used throughout the Bill. Clause 2 contains details about the appropriations for use by the Province for the financial year ending 31 March 2018. Clause 3 deals with amounts that are specifically and exclusively appropriated. Clause 4 contains the short title of the Bill. Schedule and Annexures A, B and C contains details of appropriation by vote as explained in this Memorandum.

