



# 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

Dear Ms Tshabalala

**RE: CERTIFICATION OF THE GAUTENG PROVINCIAL APPROPRIATION BILL, 2018**

1. Attached for your attention kindly receive a copy of the above-mentioned Bill, Schedule to the Bill and Memorandum of Objects on the Bill, as duly certified by the State Law Advisors.
2. The State Law Advisors classify the Bill as a money Bill envisaged in section 120 read with section 119 of the Constitution of the Republic of South Africa, 1996.
3. Please note that no changes may be made to the certified Bill, Schedule to the Bill and the Memorandum of Objects on the Bill without the prior approval of the State Law Advisors. Any unauthorised change will nullify the certification of the Bill, Schedule to the Bill and Memorandum of Objects on the Bill.
4. The certified Bill, Schedule to the Bill and Memorandum of Objects on the Bill are also enclosed on a accompanying disc. The same conditions as set out herein apply to any unauthorised change made to the copies enclosed on the accompanying disc.
5. The State Law Advisors do not certify the correctness of the amounts reflected in the Schedule to the Bill and the Memorandum of Objects on the Bill, as these are the responsibility of the Gauteng Provincial Treasury.
6. Please kindly ensure that this certificate accompanies the Bill, Schedule to the Bill and Memorandum of Objects on the Bill when they are introduced into the Gauteng Provincial Legislature.

Enquiries may be directed to Adv. Monwabisi Nguqu  
Telephone number : (011) 355 6312

Email address : [Monwabisi.Nguqu@gauteng.gov.za](mailto:Monwabisi.Nguqu@gauteng.gov.za)

Reference Number : 11/1/1/124



*for*

**Adv. Geert Kuit**

**Chief Director: State Law Advisory Services**

Date:

GAUTENG PROVINCE

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# GAUTENG PROVINCIAL APPROPRIATION BILL, 2018

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

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(Member of the Executive Council responsible for finance in the Province of Gauteng)

**[B —2018]**



# BILL

To provide for the appropriation of money from the Gauteng Provincial Revenue Fund for the requirements of the Province in respect of the financial year ending 31 March 2019; 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 Gauteng Provincial Revenue Fund only in terms of an appropriation by a provincial Act, or as a direct charge against the Fund, when it is provided for in the Constitution or a provincial Act;

**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 THEREFORE ENACTED** by the Provincial Legislature, 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, has the meaning assigned to it in that Act, and—

"**conditional grants**" means allocations to provinces, local government or municipalities from the national government's share of revenue raised nationally, provided for under section 214(1)(c) of the Constitution of the Republic of South Africa, 1996;

"**current payments**" means any payment made by a provincial department in respect of the operational requirements of that department, and includes, amongst others, payments for the compensation of employees, goods and services, interest, 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, 1999;

"**payments for capital assets**" means any payment made by a provincial department—

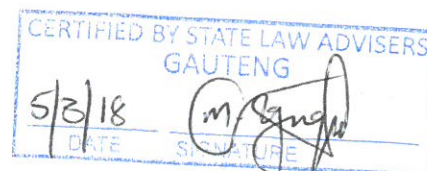
- (a) for assets that can be used continuously or repeatedly in production for more than one year, and from which future economic benefits or service potential is expected to flow directly to the provincial department making the payment; and
- (b) that must be classified as or deemed to be payments for capital assets in accordance with the "*Reference Guide to the Economic Reporting Format*" (September 2009) and the "*Asset Management Framework*" (April 2004, Version 3.3), issued by the National Treasury under section 76 of the Public Finance Management Act, 1999;

"Province" means the Province of Gauteng referred to in section 103(c) of the Constitution of the Republic of South Africa, 1996;

"Provincial Legislature" means the Provincial Legislature of the Province of Gauteng;

"Public Finance Management Act, 1999" means the Public Finance Management Act, 1999 (Act No. 1 of 1999);

"this Act" includes the Schedule; and



"transfers and subsidies" means any payment made by a provincial department 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, and includes the payment of conditional grants.

### **Appropriation of money for the requirements of the Province**

2. (1) Appropriations by the Provincial Legislature of money from the Gauteng Provincial Revenue Fund for the requirements of the Province in the 2018/19 financial year, to votes and main divisions within a vote, and for the specific listed purposes, is set out in the Schedule.

(2) Subject to section 3, spending of appropriations referred to in subsection (1) is subject to the Public Finance Management Act, 1999, and, to the extent that the Provincial Legislature is concerned, 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 other law, an amount within a vote or main division within a vote that are listed as specifically and exclusively appropriated may only be utilised for the purpose indicated and may not be used for any other purpose, unless an Act of the Provincial Legislature amends or changes the purpose for which it was allocated.

### **Short title**

4. This Act is called the Gauteng Provincial Appropriation Act, 2018.

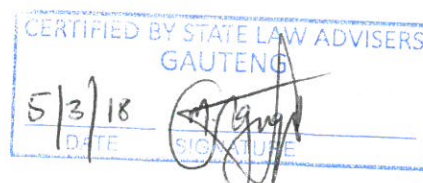


**SCHEDULE**  
(As a charge to the Provincial Revenue Fund)

Vote	Description of votes and main divisions	Total per vote and main division R'000	Details of appropriated amount					
			Current Payments			Transfers and Subsidies R'000	Payments for Capital Assets R'000	Amounts specifically and exclusively appropriated R'000
			Compensation of Employees R'000	Goods and Services R'000	Other R'000			
<b>1</b>	<b>Office of the Premier</b> 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  <b>1 Administration</b> 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.  <b>2 Institutional Development</b> 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  <b>3 Policy and Governance</b> 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; lead planning for sustainable development in the Gauteng City Region; lead, facilitate, coordinate and support the active advancement of gender equality, women's empowerment, youth development and the rights of people with disabilities, older persons and military veterans and lead, facilitate, coordinate and support the implementation of the Integrity Management Programme in the GCR.  <i>of which</i> Transfers to Higher Education Institutions GCRO Non-profit institutions	702 694	307 088	246 327		138 716	10 563	
<b>2</b>	<b>Gauteng Provincial Legislature</b> Vision: A modern and transformative legislature that fosters public pride and confidence in democracy and enhances service delivery to the people of Gauteng. <b>1 Leadership and Governance</b> The purpose of the Leadership and Governance Programme is to provide strategic leadership and overall management to the Institution, thereby enabling the Institution to exercise its constitutional responsibility of conducting oversight over the Provincial Executive, making and passing laws for the Province, meaningfully involving the people of Gauteng in all Institutional processes and facilitating of Cooperative Governance.  <b>2 Office of the Secretary</b> The Secretary's Office serves as the custodian of the development and implementation of the strategy and provides strategic, tactical and operational Leadership to GPL administration for the achievement of the institutional mandate of Oversight and Scrutiny, Law Making, Public Participation and co-operative governance. The Office is also  <b>3 Corporate Support Services</b> The purpose of the Corporate Support Services is to give support to all stakeholders internally within areas of Human Resources, Information and Technology, Safety and Security, Building Management, Administration, Transport and Logistics, Member's Affairs and Relations through provision of systems, policies and processes that enables and facilitates service provision in the most effective, efficient and professional manner. <i>of which</i> Non-profit institutions <b>4 Core Business</b> 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.  <b>5 Office of the CFO</b> The purpose of the programme is to provide professional financial, risk and supply chain management services to stakeholders for the realisation of the Institutional strategic goals and objectives	715 824	356 885	235 660		121 572	1 707	
<b>3</b>	<b>Economic Development</b> Vision: A radically transformed, modernised and re-industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity. <b>1 Administration</b> 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. <b>2 Integrated Economic Development Services</b> To ensure radical economic transformation that addresses the triple policy imperatives of decent work, an inclusive economy and equality. <i>of which</i> Transfers to Departmental Agencies and Accounts Gauteng Economic Propeller <b>3 Trade and Sector Development</b> To ensure re-industrialisation that addresses the triple policy imperatives of decent work, an inclusive economy and equality. <i>of which</i> Transfers to Departmental Agencies and Accounts Gauteng Growth Development Agency Gauteng Tourism Authority Cradle of Humankind Ditokerg <b>4 Business Regulation and Governance</b> 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. <i>of which</i> Transfers to Departmental Agencies and Accounts Gauteng Liquor Board <b>5 Economic Planning</b> To provide thought leadership to transform and re-industrialise the Gauteng City Region through policy and strategy development.	1 510 450	258 306	215 902		1 022 606	13 636	
								21 306 117 410
								121 572
								300 694
								443 181 141 201 73 454 39 056
								25 021

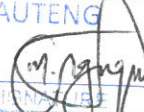
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Vote	Description of votes and main divisions	Total per vote and main division	Details of appropriated amount					
			Current Payments			Transfers and Subsidies	Payments for Capital Assets	Amounts specifically and exclusively appropriated
			Compensation of Employees	Goods and Services	Other			
4	<b>Health</b> Vision: Daily we provide high-quality, efficient and accessible healthcare to transform people's lives	46 429 326	26 706 147	15 808 249		1 770 682	2 144 248	
	<b>1 Administration</b> 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.	893 938	436 135	442 887		2 450	12 466	
	<b>2 District Health Services</b> The purpose of the programme is to render primary health care services, district hospital services, comprehensive HIV and AIDS care and nutrition. It includes the delivery of priority health programmes.	15 305 140	7 714 913	6 558 454		876 205	155 568	
	<i>of which</i> National conditional grants Comprehensive HIV Aids and TB Human Papillomavirus Vaccine Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Municipalities Transfers to Non-profit institutions							4 239 277 27 312 1 470 383 475 464 528
	<b>3 Emergency Medical Services</b> The rendering of pre-hospital Emergency Medical Services including inter-hospital transfers and planned patient transport.	1 450 885	527 405	385 535		402 445	135 500	
	<i>of which</i> Transfers to Municipalities							399 795
	<b>4 Provincial Hospital Services</b> 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.	8 873 068	6 331 558	2 333 011		122 934	85 565	
	<i>of which</i> Transfers to Non-Profit Institutions National conditional grants National Tertiary Services Health Professions Training and Development							104 556 23 854 224 693
	<b>5 Central Hospital Services</b> Provide a highly specialised health care service, a platform for training health workers and a place of research, and to enable these hospitals to serve as specialist referral centres for regional hospitals and neighbouring provinces.	16 675 956	10 627 379	5 058 214		247 640	742 723	
	<i>of which</i> Transfers to Non-Profit Institutions National conditional grants National Tertiary Services Health Professions Training and Development							200 000 4 366 338 748 066
	<b>6 Health Sciences and Training</b> 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.	1 043 395	850 291	66 210		118 363	8 529	
	<i>of which</i> Transfers to Departmental Agencies and Accounts							20 962
	<b>7 Health Care Support Services</b> The purpose of this programme is to render support services required by the Department to realise its aims through sub-programmes Laundry Services and Food Supply Services.	310 255	180 597	120 083		645	8 930	
	<b>8 Health Facilities Management</b> 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.	1 876 691	37 869	843 855			994 967	
	<i>of which</i> National conditional grants Health Facility Revitalisation Expanded Public Works Programme (EPWP) Integrated							874 842 2 324





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			Compensation of Employees	Goods and Services	Other			
5	<b>Education</b> Vision: Every learner feels valued and inspired in our innovative education system.	45 220 540	33 738 301	5 486 669		4 435 175	1 560 395	
	<b>1 Administration</b> To provide overall management of the education system in accordance with the National Education and Information Policy.	3 299 894	2 597 690	662 762		5 834	33 608	
	<b>2 Public Ordinary School Education</b> To provide public ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.	34 491 846	27 966 727	3 984 560		2 519 224	21 335	
	<i>of which</i> National conditional grants HIV/AIDS (Life Skills Education) National School Nutrition Maths, Science and Technology Transfers to Non-Profit Institutions							35 959 807 454 53 062 2 402 094
	<b>3 Independent School Subsidies</b> To provide independent ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.	731 752				731 752		
	<i>of which</i> Transfers to Non-Profit Institutions							
	<b>4 Public Special School Education</b> To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education.	2 687 577	2 167 433	26 197		493 247	700	731 752
	<i>of which</i> National conditional grants Learners with Profound Intellectual Disabilities Transfers to Non-Profit Institutions							
	<b>5 Early Childhood Development</b> To provide early childhood education at Grade R and earlier levels in accordance with White Paper 5.	809 855	519 045	86 989		202 971	850	26 451 490 398
	<i>of which</i> Transfers to Non-Profit Institutions							
	<b>6 Infrastructure Development</b> To provide and maintain infrastructure facilities for the administration and schools.	1 696 137	39 867	247 029			1 409 241	202 971
	<i>of which</i> National conditional grants Education Infrastructure							
	<b>7 Examination and Education Related Services</b> To provide training and support to all education institutions.	1 503 479	447 539	479 132		482 147	94 661	1 373 073
	<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							2 480 8 375 125 204 95 072
6	<b>Social Development</b> Vision: A Caring and Self-reliant Society.	4 983 495	1 519 821	564 235		2 784 472	114 967	
	<b>1 Administration</b> To provide political and strategic direction and leadership, and to guide and support the development of policy frameworks and guidelines for the implementation of priority programmes.	623 594	302 703	298 817		7 882	14 192	
	<i>of which</i> Transfers to Departmental Agencies and Accounts							
	<b>2 Social Welfare Services</b> To provide integrated developmental social welfare services to the poor and vulnerable beneficiaries in partnership with stakeholders and civil society.	814 123	58 406	36 576		718 541	600	84
	<i>of which</i> National conditional grants Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Non-Profit Institutions							
	<b>3 Children and Families</b> To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.	2 303 871	805 191	159 832		1 242 273	96 575	1 485 717 815
	<i>of which</i> National conditional grants Social Workers Employment Early Childhood Development EPWP Integrated Transfers to Non-Profit Institutions							2 655 62 777 2 000 1 241 234
	<b>4 Restorative Services</b> 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.	619 317	100 121	59 085		456 511	3 600	
	<i>of which</i> Transfers to Non-Profit Institutions							
	<b>5 Development and Research</b> To provide sustainable development programmes, which facilitates empowerment of communities based on empirical research and demographic information.	622 590	253 400	9 925		359 265		456 143
	<i>of which</i> Transfers to Non-Profit Institutions							
								359 065
7	<b>Cooperative Governance and Traditional Affairs</b> Vision: Globally competitive Gauteng City Region, putting people first with service delivery excellence and economic performance.	468 235	319 895	125 472		8 746	14 122	
	<b>1 Administration</b> To strengthen and align the Department's organisational capacity and capability to deliver on its mandate.	144 284	93 432	43 212		1 746	5 894	
	<b>2 Local Governance</b> 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.	215 389	178 855	31 534		5 000		
	<i>Transfers to Municipalities</i>							
	<b>3 Development and Planning</b> The purpose of the programme is to coordinate, facilitate and promote integrated development and planning in municipalities to ensure that services are delivered in an integrated and sustainable manner in line with transformation of the state and governance.	95 983	39 606	46 149		2 000	8 228	5 000
	<i>of which</i> Transfers to Municipalities National conditional grants EPWP Integrated							2 000
	<b>4 Traditional Institutional Development</b> The programme promotes and facilitates viable and sustainable traditional institutions by enhancing the capacity of traditional leadership and local governance institutions in line with Pillar 4: Transformation of the State and Governance.	12 579	8 002	4 577				2 000

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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			
8	<b>Human Settlements</b> Vision: Integrated sustainable human settlements within a smart Gauteng City Region. <b>1 Administration</b> 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. <b>2 Housing Needs, Research And Planning</b> 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. <b>3 Housing Development</b> To build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. <i>of which</i> National conditional grants Human Settlement Development EPWP Integrated Transfers to Departmental Agencies and Accounts Gauteng Partnership Fund <b>4 Housing Assets Management Property Management</b> The purpose of the programme is to promote home-ownership in historically disadvantaged communities <i>of which</i> National conditional grants Human Settlement Development Title Deeds Restoration Grant	5 888 425	448 432	221 333		261 747	4 956 913	
		512 510	269 621	201 176		355	41 358	
		41 778	36 335	5 443				4 986 583
		5 163 858	139 069	13 653		261 392	4 749 744	9 063
		170 279	3 407	1 061			165 811	237 753
								60 000
9	<b>Roads and Transport</b> Vision: A modern integrated, efficient and sustainable transport and roads infrastructure system in Gauteng. <b>1 Administration</b> 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. <b>2 Transport Infrastructure</b> 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. <i>of which</i> National conditional grants Provincial Roads Maintenance EPWP Integrated Transfers to Municipalities <b>3 Transport Operations</b> 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. <i>of which</i> National conditional grants Public Transport Operations Transfers to Public Corporations and Private Enterprise <b>4 Transport Regulation</b> 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. <b>5 Gautrain</b> To plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain <i>of which</i> Transfers to Departmental Agencies and Accounts Gauteng Management Agency	7 713 818	702 514	1 572 070	260	4 431 965	1 007 010	
		359 104	188 460	154 224	60	550	15 810	
		2 519 682	279 404	1 248 619	50	8 670	982 940	
		2 589 117	62 950	48 700		2 476 787	680	742 522
		300 647	171 700	120 527	150	690	7 580	6 490
		1 945 268				1 945 268		2 500
								2 306 888
								2 476 667
								1 945 268
10	<b>Community Safety</b> Vision: To realise Gauteng as a province where people feel, and are, safe. <b>1 Administration</b> To provide strategic direction and to support the organisation through corporate support (which includes human capital resources), financial management, supply chain management, risk management, legal services and strategic planning monitoring and evaluation. <b>2 Provincial Secretariat for Police Service</b> The programme aims to give effect to the constitutional mandate of the department on the promotion of good relations between the police and the community. <i>of which</i> National conditional grants Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Municipalities <b>3 Traffic Management</b> The main aim of the programme is to integrate and coordinate traffic law enforcement, reduce road fatalities and support the SAPS crime prevention initiatives in the province. <i>of which</i> Transfers to Provinces and Municipalities Transfers to Public Corporations and Private Enterprise	719 495	526 204	166 376		3 628	23 287	
		130 615	87 220	40 412			2 983	
		185 464	95 625	82 843		1 630	5 366	
		403 416	343 359	43 121		1 998	14 938	1 448
								965

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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			
11	<p><b>Agriculture and Rural Development</b>  <b>1 Administration</b>            Vision: An economically transformed agricultural sector and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng.            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.  <i>of which</i>            Transfers to Departmental Agencies and Accounts</p> <p><b>2 Agriculture and Rural Development</b>            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.  <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            Transfers to Municipalities</p> <p><b>3 Environmental Affairs</b>            To ensure 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>	957 000	479 214	418 812		11 691	47 283	
		225 076	139 653	79 508		1 687	4 228	
		489 427	181 907	284 864		9 549	13 107	837
		242 497	157 654	54 440		455	29 948	4 000
12	<p><b>Sport, Arts, Culture and Recreation</b>            Vision: An active, creative and modernised Gauteng City Region contributing to sustainable economic growth and social cohesion.  <b>1 Administration</b>            The aim of the programme is to provide political and strategic direction and to support the department by providing corporate management services</p> <p><b>2 Cultural Affairs</b>            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.  <i>of which</i>            Departmental agencies and accounts            Transfers to Non Profit Institutions            National conditional grants            EPWP Integrated            Transfers to Municipalities</p> <p><b>3 Library and Archives Services</b>            The purpose of the programme is to establish and maintain community libraries that provide access to knowledge, resources and services to meet the needs of individuals and groups for education, information and personal development.  <i>of which</i>            National conditional grants            Community Library Services grant            Transfers to Municipalities            Transfers to Non Profit Institutions</p> <p><b>4 Sport and Recreation</b>            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.  <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>	942 652	307 713	285 394		264 369	85 176	
		128 192	88 397	37 511			2 284	
		205 456	60 269	101 921		39 812	3 454	
		300 538	46 090	37 207		140 220	77 021	30 434 7 000 2 000 2 378
		308 466	112 957	108 755		84 337	2 417	168 530 137 220 2 900
								85 482 1 463 84 337
13	<p><b>e-Government</b>            Vision: A connected Gauteng City-Region that leverages technology to provide quality services to citizens.  <b>1 Administration</b>            To efficiently manage the Department of e-Government through executive steer and accountability, and the execution of corporate support services supported by effective reporting, risk management and compliance practices</p> <p><b>2 Information Communication Technology (ICT) Shared Services</b>            To establish a GCR e-Government governance structure that drives and enables priorities, policies, standards and regulations through approved frameworks; To ensure that the ICT infrastructure required for the GCR connected government exists, and is enabled by an upgraded core network, the availability of Wi-Fi hotspots and a maintained network availability, allowing GCR entities to be connected and provide e-Services to the citizens of the province through an enabling common platform; To promote the usage of e-Government services (Citizens, Business and Government Entities); To stimulate the ICT economy by facilitating incubation and innovation as well as encouraging public private partnerships for the development and rollout of e-Government services.  <i>of which</i>            Transfers to Higher Education Institutions</p> <p><b>3 Human Resources</b>            To optimize, digitize and promote Human Resource Services related business processes to enable efficient decision making.</p>	1 273 826	454 148	791 752		23 426	4 500	
		245 033	165 644	76 763		626	2 000	
		906 867	173 381	708 186		22 800	2 500	
		121 926	115 123	6 803				22 800

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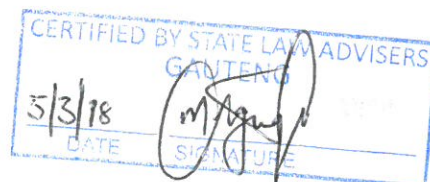
Vote	Description of votes and main divisions	Total per vote and main division	Details of appropriated amount					
			Current Payments			Transfers and Subsidies	Payments for Capital Assets	Amounts specifically and exclusively appropriated
			Compensation of Employees	Goods and Services	Other			
14	<b>Provincial Treasury</b> 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.	796 413	590 162	124 656		69 559	12 036	
	<b>1 Administration</b> The programme aims to provide effective leadership, management and administrative support to the Treasury Programmes as well as the Member of the Executive Council (MEC) and the Accounting Officer. This is done in fulfilment of the mission and mandate of the department.	149 397	98 852	37 494		1 015	12 036	
	<b>2 Sustainable Fiscal Resource Management</b> To ensure the effective and efficient administration of fiscal resources. <i>of which</i> Departmental agencies and accounts	156 001	82 421	15 036		58 544		
	<b>3 Financial Governance</b> To promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions	166 413	135 839	30 574				58 544
	<b>4 Supply Chain Management</b> To promote and enforce transparency and effective Supply Chain Management in the province. <i>of which</i> Transfers to Non Profit Institutions	128 034	90 314	27 720		10 000		
	<b>5 Municipal Financial Governance</b> To ensure effective and efficient management in Municipalities and Municipal Entities and coordinate the provisioning of capacity building.	78 576	71 238	7 338				10 000
	<b>6 Gauteng Audit Services</b> To 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.	117 992	111 498	6 494				
15	<b>Infrastructure Development</b> 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.	3 036 964	1 033 479	957 548	800	907 444	137 693	
	<b>1 Administration</b> 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 mandate of the Department.	326 559	195 708	92 081	500	4 271	34 000	
	<b>2 Public Works Infrastructure</b> 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. <i>of which</i> Transfers to Municipalities	2 392 642	706 421	679 171	300	903 057	103 693	
	<b>3 Expanded Public Works Programme</b> 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. <i>of which</i> EPWP Integrated	317 763	131 350	186 297		116		901 394
<b>TOTAL FOR THE PROVINCE</b>		121 359 157	67 748 309	27 220 454	1 060	16 255 798	10 133 536	17 780

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**MEMORANDUM OF OBJECTS ON THE GAUTENG PROVINCIAL APROPRIATION BILL, 2018**

**1. INTRODUCTION**

- 1.1 Chapter 13 (sections 213 to 230A inclusive) of the Constitution of the Republic of South Africa, 1996 (“the Constitution”) deals with finance, and section 215 thereof provides for national, provincial and municipal budgets.
- 1.2 Section 215(2) of the Constitution, on the one hand, stipulates that national legislation must, among others, prescribe when national and provincial budgets must be tabled in the relevant legislatures, and that budgets in each sphere of government must show the sources of revenue and the way in which proposed expenditure will comply with national legislation.
- 1.3 Section 215(3) of the Constitution, on the other hand, requires that budgets in each sphere of government must contain estimates of revenue and expenditure, differentiating between capital and current expenditure, proposals for financing any anticipated deficit for the period to which they apply, and an indication of intentions regarding borrowing and other forms of public liability that will increase public debt during the ensuing year.
- 1.4 Section 226 of the Constitution provides for the establishment of Provincial Revenue Funds, and subsection (2) thereof authorises the withdrawal of money from a Provincial Revenue Fund only in terms of an appropriation by a provincial Act or as a direct charge against the Fund when it is provided for in the Constitution or a provincial Act.
- 1.5 The Public Finance Management Act, 1999 (Act No. 1 of 1999) (“the PFMA”), in turn, enjoins a Provincial Legislature, through section 26, to appropriate money for a financial year for the needs or requirements of a Province. Section 27(2) of the PFMA further enjoins the Member of the Executive Council (“MEC”) responsible for Finance in a Province to table the budget in a Provincial Legislature.



## 2. BACKGROUND

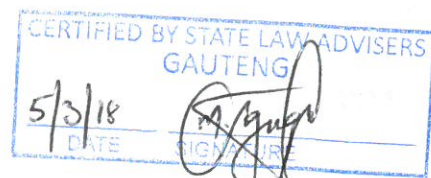
- 2.1 The 2018 Medium Term Expenditure Framework (“MTEF”) builds on the priorities established at the beginning and during the Fifth Administration. These priorities include reprioritisation of funds towards core functions, thereby expanding and enhancing service delivery, strengthening and prioritising fiscal discipline to enable effective delivery on the Ten-Pillar Programme of Transformation, Modernisation and Re-industrialisation (“TMR”), to promote economic, efficient and effective provision of public services whilst ensuring quality and accessibility of these services (i.e. value for money) using the Deliverology Approach to expedite the implementation of programmes and projects.
- 2.2 The Gauteng Provincial Appropriation Bill, 2018, therefore represents the estimates of the provincial expenditure in relation to current expenditure, transfer payments and capital expenditure for each vote and each main division of a vote for the 2018/19 financial year.

## 3. DISCUSSION

### 3.1 Macro-economic context

Global economic growth outlook has improved after two years of deceleration. In its latest world economic outlook, the International Monetary Fund (“IMF”) estimates global growth to have averaged 3.7 percent in 2017. Furthermore, the IMF forecast global growth momentum to continue into 2018 and 2019 reaching 3.9 percent for both years as a result of an improved performance in the advanced economies, led by Japan and recovery in the Euro-Area. Tax policy changes in the United States of America are also expected to boost growth.

Growth in the emerging markets and developing economies is expected to improve. This follows stronger growth in the third quarter of 2017 by key economies in countries such as China, Brazil and South Africa. The IMF estimates growth to reach 4.7 percent in 2017 and to improve to 4.9 percent and 5 percent in 2018 and 2019, respectively. After slowing due to a severe drought and commodity price slump in 2015 and 2016, economic growth in Sub-Saharan



Africa region is expected to average 2.7 percent in 2017 and to increase to 3.3 percent and 3.5 percent in 2018 and 2019, respectively.

While global economic activity has improved, South Africa's economy has lagged. Despite growth recovery in the second and third quarters of 2017, the gap between domestic and global growth has widened. This means that the country has missed out on the global recovery amid historically low levels of business and consumer confidence and political uncertainty.

Low confidence levels resulted in slow growth in investment, household consumption, and employment which continues to weigh on domestic growth. This resulted in the country's sovereign credit rating being downgraded twice in 2017. However, in recent months, political uncertainty and business confidence have shown signs of improvement as a result of proposed interventions outlined in the State of the Nation Address.

This low economic growth has resulted in the shortfall of R48.2 billion in revenue. This necessitates the increase of taxes including Value Added Tax (VAT) that will increase to 15 percent in the new financial year.

The National Treasury currently projects economic growth of 1 percent for 2017, which is set to increase to 1.5 percent for 2018, and further increase to 2.1 percent in 2020. Given the improved policy certainty and confidence levels, these projections are currently thought of as a minimum. Post the national budget, indications are that the sovereign ratings agencies are unlikely to downgrade South Africa further in 2018.

The Gauteng economy was not spared from the effects of low investment, consumer and business confidence. This has seen dominating sectors such as finance and business services in the Gauteng region decline in the first quarter of 2017 resulting in an estimated 0.5 percent growth for the year.

However, economic growth is expected to improve in 2018 and 2019. The economic environment, is likely to continue to constrain fiscal policy expansion in the country and



Province in the medium term. Finally, further austerity measures can be expected as the National Treasury attempts to narrow the budget deficit in an effort to avoid further sovereign credit rating downgrades. These austerity measures include the cutting of overall expenditure by R85 billion over the medium-term.

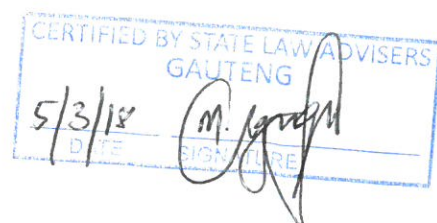
### 3.2 Principles of budgeting

The budget is compiled during a period of weak economic growth projections in the global and national economies, despite the signals of improvement in the global economy. The economic growth rate is expected to remain fragile over the 2018 MTEF period, which implies low tax revenue growth for the national economy. Therefore, the national government continued with the implementation of fiscal consolidation programme to maintain South Africa's debt in the sustainable path while increasing the provincial budgets to fund new social spending priorities over the 2018 MTEF. One of the measures of fiscal consolidation was the reprioritisation of budget baselines that resulted in reductions in equitable share allocations and in conditional grants with fast growth, low spending and/or where the impact was lesser on economic growth or service delivery.

Despite the effect of ongoing implementation of the national fiscal consolidation programme, the Province must ensure that it continues to provide critical services to the residents. The 2018 MTEF, being the last mile of the Fifth Administration, is dedicated to expediting the completion of high impact deliverables through the Deliverology Approach. To ensure that all provincial government's commitments come to fruition, the Province allocated additional funding to provincial departments to fund the provincial priorities that support the TMR Programme of the Province.

To this end, the Province aims to ensure that the budget over the 2018 MTEF takes into account—

- realignment of baselines;
- reprioritisation within baselines;





- monitoring and protecting the gains of the cost containment strategy;
- investment in infrastructure delivery;
- deliverables that contribute to commitments made at Ntirhisano gatherings;
- improved management of personnel budget; and
- overall revitalisation of the Gauteng City Region.

In drafting of the 2018/19 budget departments have been requested to ensure that funding is directed to priority areas and projects supporting the implementation of the TMR Programme and the Deliverology Approach, critical areas of service delivery with significant spending pressure, protecting core deliverables, monitoring and protecting the gains of cost containment measures to ensure that these are not reversed, and bespoke assessment of the readiness for implementation of infrastructure projects without impacting negatively on ongoing infrastructure projects and maintenance requirements.

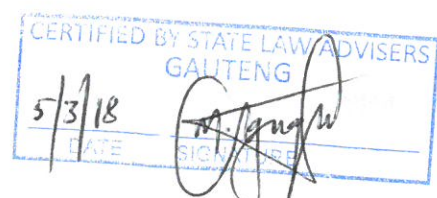
### 3.3 Alignment of budgeting to the TMR Programme

#### *Gauteng 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 throughout the Province to transform the lives of all citizens in Gauteng in the current term of office and beyond.

An amount of R21 million is allocated in 2018/19 which is the balance of three years for implementing the Deliverology Approach. The plans for the Deliverology Approach include achieving 80 percent of targets set for all six apex priority departments and achieving 90 percent of targets set for all eight secondary priority departments by March 2019.

Linked to the TMR priority of building a more activist and responsive government, the Office of the Premier is allocated R42.3 million in 2018/19 for the Province's interventions relating



to the Life Esidimeni Alternative Dispute Resolution project. Included in this amount is the provision for the payment of compensation claims.

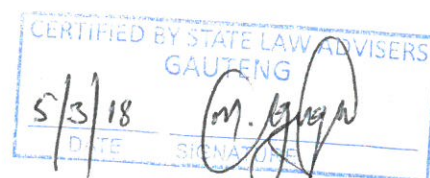
A sum of R20.5 million is allocated for the GEYODI projects over the 2018 MTEF. These projects assist the targeted groups of the society to access socio-economic opportunities. The targets set for March 2019 include 1 000 military veterans accessing jobs, training opportunities and business opportunities as well as being allocated houses, and 150 military veterans and their dependants accessing bursaries.

The Office of the Premier is allocated R117.4 million in 2018/19, which increases to R131.1 million in 2020/21, to facilitate the creation of employment for youth in the Province through the Tshepo 1 Million project. This amount will contribute towards the achievement of the target of 25 000 young people placed in jobs, 115 000 placed in internships, learnerships and short-term work experience contracts by March 2019.

### ***Gauteng Provincial Legislature***

In order to ensure continued alignment with the TMR Programme, the Provincial Legislature's strategic objectives are aimed towards improving accountability by the Executive to the Legislature in respect of government programmes, meaningful involvement by the public in the business of the Legislature by re-engineering the Legislature's public participation agenda, business enhancement and modernisation of governance and ensure that the laws passed by the Legislature are responsive to the needs and aspirations of the people of Gauteng. This is done 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 active political participation. Therefore, R121.6 million has been made available to support political parties through political party funding and constituency allowance for Members of the Provincial Legislature in 2018/19. This amount increases to R128.6 million and R135.7 million in 2019/20 and 2020/21, respectively.



In 2018/19, R26.6 million is made available to enable the Provincial Legislature to deliver on its core business services which include law-making, oversight over the Executive, public participation and cooperative governance processes. The allocation, is aimed at strengthening the business of House Committees which are an important engine of the business of the Legislature. This amount increases to R28.2 million in 2019/20 and R30 million in 2020/21.

The Provincial Legislature will 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.

To promote meaningful public participation, R15.8 million is made available. These funds provide for Bua Le Sechaba, Public Education and Sector Parliaments. These are some of the mechanisms that educate communities about the business of the Provincial Legislature and also assist in advancing the Legislature's Public Participation Programme. This amount increases to R 16.7 million in 2019/20 and R17.7 million in 2020/21.

### ***Gauteng Department of 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. The Department support these three pillars directly and through public entities and trading entities, the details of which are provided below.

The GCR Economic Development Plan (EDP) 2030 is allocated R68.4 million over the MTEF. The plan is oriented towards the creation of decent jobs through a focus on sector transformation, industrialisation, skills development, leveraging on public procurement and township economy revitalisation to build an inclusive and sustainable economy.



An amount of R134 million is allocated to Township Economy Revitalisation (TER) Programme over the MTEF. The Programme is fundamental in stimulating and sustaining small, micro and medium enterprise township entrepreneurship. Some of the TER projects to be implemented in 2018/19 include Youth Accelerator Programme which seeks to enhance job creation for youth, reduce poverty, and increase the potential of youth to become active participants in the Gauteng economy, and the Innovation Hub that receives R33.6 million to implement programmes such as Start-up Support Programme which offers support to township companies.

A total of R430.8 million over the 2018 MTEF is availed to the Department for job creation initiatives. These initiatives include—

- Accelerated Youth Placement Programme with a budget of R 50.9 million;
- mLab & Code Tribe with R15.4 million;
- eKasi Labs with R16.6 million;
- Bio- Park Facility Incubator with R6.2 million

Furthermore, an amount of R443.1 million is allocated to the Gauteng Growth and Development Agency for the 2018/19 financial year and R1.4 billion over the 2018 MTEF for various projects and programmes. This budget will, amongst others fund Trade and Investment Facilitation and Gauteng Investor Centre which aims to facilitate investment that supports modernisation and re-industrialization of Gauteng's economy. In addition, the entity will support students training in jewellery design and manufacture which will aid with the development of sector specific skills required to meet the needs of the jewellery economic sector.

The Gauteng Tourism Authority is allocated an amount of R42 million over the MTEF as part of attracting businesses and signature events thereby promoting Gauteng as a Destination of Choice. An amount of R21 million is allocated to destination marketing activities thereby support the TMR in leading Africa's new industrial revolution.



The Cradle of Humankind receives R13.8 million for tourism routes, R5.3 million for sponsored visits, and R6.9 million for water monitoring programme while Dinokeng is allocated R12.1 million for the Working on Fire Programme and R2.9 million for school visits over the MTEF.

### ***Gauteng Department of Health***

The Department will continue in its drive to accelerate social transformation through the provision of quality, efficient and accessible healthcare to improve people's lives. This will be achieved by strengthening the health systems, preventing and reducing the burden of disease, transforming the health economy and modernising the public service with a focus on the development and implementation of the e-health programme.

The fight against communicable diseases such as HIV/AIDS and Tuberculosis (TB) at district health facilities receives an allocation of R4.2 billion in 2018/19 which accumulates to R15.3 billion over the 2018 MTEF. These funds are allocated for the expansion of the anti-retroviral programme, the provision of male circumcisions, the reduction of mother to child transmission of HIV to increase life expectancy and the prevention of TB.

An amount of R412.4 million in 2018/19 and R1.3 billion over the 2018 MTEF is allocated for the overall improvement of the effectiveness and efficiency of the TB and MDR-XDR control programme to strengthen treatment, counselling and screening in provincial hospitals.

Primary health care receives R6.4 billion in 2018/19 which amounts to R20.9 billion over the 2018 MTEF. These funds are allocated for primary health care services rendered at community health clinics and centres and for the provision of community-based services at non-health facilities such as home-based care.

Emergency Medical Services (EMS) receive R144.1 million in 2018/19 and R429.5 million over the 2018 MTEF for the Ambulance Re-capitalization Project which is aimed at improving response times through the procurement of emergency medical equipment and EMS fleet.



An amount of R1 billion in 2018/19 accumulating to R3.3 billion over the 2018 MTEF is allocated to bursaries and training opportunities. The allocation is aimed at increasing the availability of nursing professionals, EMS staff, medical doctors and other health professionals.

### ***Gauteng Department of Education***

The pillars that the Department responds to are radical economic transformation, accelerated social transformation, transformation of the state and governance and modernisation of the public service.

The Secondary School Intervention Programme (SSIP) receives R764.8 million in 2018/19, R809 million in 2019/20 and R852.9 million in 2020/21 to improve the quality of education in the public schooling system through extra lessons and the provision of learning material. During the 2018 academic year, the SSIP model will focus on a core target group of high risk learners, SSIP support streams which are based on a second chance programme and SSIP enablers such as teacher training, the use of ICT, advocacy campaigns and stakeholder support.

A total of R89.7 million in 2018/19 which amounts to R284.7 million over the 2018 MTEF is allocated for the improvement of Mathematics and Science in the FET phase whereas R158.6 million in 2018/19 and R503.4 million over the 2018 MTEF is allocated to the improvement of Grade 12 pass and bachelor pass rates. Access to Learner and Teacher Support Material (LTSM) receives R463.4 million in 2018/19 and R1.5 billion over the 2018 MTEF to enable effective learning and teaching in the classroom of which R832 million is for ICT learning resources.

The teacher development and support initiative is allocated R195.5 million in 2018/19 and R620.4 million over the 2018 MTEF. This will form part of the Whole School Improvement Initiative (WSI) and training will focus on content, assessments, teaching and learning methodologies and the institutionalisation of ICT.



Currently, more than 1 million youth in Gauteng are unemployed making nearly half of the unemployed people in the Province. In support of economic growth and reaching the employment creation targets set out in the TMR strategy, the Master Skills Plan 2 has been developed. Therefore, an amount of R492.2 million in 2018/19 accumulating to R1.6 billion over the 2018 MTEF is allocated to skills development, bursaries and accessing post-school work experience.

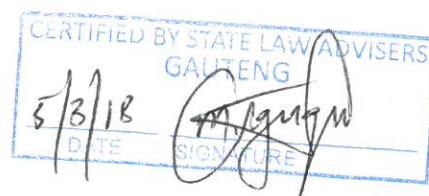
The provision of school nutrition is allocated R1.2 billion in 2018/19 and R3.8 billion over the 2018 MTEF and will cover approximately 1.5 million learners in all no-fee paying schools and selected fee-paying schools. In terms of expanding access to schooling R1.1 billion in 2018/19 and R3.5 billion over the 2018 MTEF will fund the provision of scholar transport to 110 115 learners that live more than 5 km away from school.

#### ***Gauteng Department of Social Development***

The Department's programmes and budget contribute towards addressing the challenges of unemployment, poverty and inequality in response to Pillar 3: Accelerated Social Transformation. Some of the key programmes of the Department are described below.

Extending War on Poverty in the poorest wards across the Province is one of the key programmes with a budget allocation of R387 million in 2018/19, R410.3 million in 2019/20 and R434.9 million in the 2020/21 financial years. A total of R1.2 billion comprises R485.6 million for the school uniform project, R372.6 million for the Dignity Packs programme, R175.5 million for food banks and R219.5 million for development centres to service poor households.

Access to quality Early Childhood Development receives R357.3 million in 2018/19 and R1.1 billion over the 2018 MTEF. These funds include R285.6 million for non-centre based such as mobile services, toy libraries and play groups, R44.6 million for minor renovations including ablution facilities and R796 million for standardised meals for children in the poorest wards.



A total amount of R139.3 million is made available for the Welfare-to-Work approach and women development. R48.2 million of this amount will be used for linking poor women to economic opportunities and R91.1 million will be used for skills development and stipends. The activities of this programme include linking beneficiaries to NPOs and the private sector as part of the in-service training and assisting beneficiaries with personal development plans.

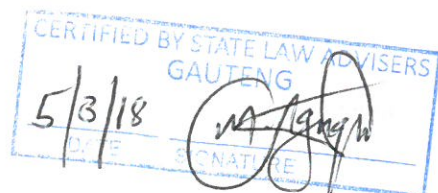
Substance abuse and rehabilitation receive R425.2 million over the 2018 MTEF of which R88.8 million is for the anti-substance abuse movement campaign, R31.8 million is for the substance abuse preventative programmes and local drug action committees and R416 million is for the expansion of substance abuse treatment centres.

The provision of care and services to older persons is allocated R32.8 million over the 2018 MTEF. These funds will be used for active-ageing programmes, the operationalisation of newly-completed prototypes for older persons and the implementation of the older persons' strategy (safe beds, toll-free facility, uGogo campaign, etc.). In relation to caring for persons with disabilities, R11.4 million allocated over the 2018 MTEF will be used for the independent living model, special needs for people with disabilities and for the establishment of a disability forum to provide support to protective workshops.

The Department will continue to expand Comprehensive Social Security through reform of the Social Welfare Sector with R434.6 million allocated over the 2018 MTEF. This intervention is intended to create 6 199 job opportunities targeting community care-givers within the Home Community Based Care sites.

### ***Gauteng Department of Cooperative Governance and Traditional Affairs***

Funding made available to the Department will enable it to become a lead provincial department in the coordination, collaboration, and facilitation of cooperative governance in building a globally competitive and people-driven Gauteng City-Region. In order to support the pillar relating to the transformation of the state and governance, the Department receives R15 million in 2018/19 to support municipal mergers and the realisation of the metro system





in Sedibeng and the West Rand municipalities. This amount will be reduced to R8 million and R7 million in 2019/20 and 2020/21 financial years, respectively.

The Community Development Workers (CDW) Programme receives R14 million in 2018/19, R16 million in 2019/20 and R17 million in 2020/21 to enhance public participation in local government. This funding will support municipalities regarding the implementation of Citizen-Based Monitoring (CBM), Asset-Based Community Development (ABCD) approach and the civic awareness action plan.

R9 million in 2018/19 and R31 million over the 2018 MTEF is allocated to provide municipalities with additional capacity to implement the developed simplified revenue plans, additional capacity and support to resolve 100 defaulting residential debtors per municipality through improving billing data quality and implement cost reflective provincially developed Tariff Models.

The Infrastructure Support Programme is allocated R7 million in 2018/19 and R27 million over the MTEF to support municipalities in implementing the bulk infrastructure projects on Human Settlement Mega Projects, to support schools with the installation of rainwater harvesting systems and to support municipalities to reduce water losses and electricity losses.

The Department sets aside R10 million in 2018/19 and R35 million over the MTEF to develop and build capacity in municipalities by supporting municipalities to institutionalise Performance Management Systems.

R24 million is allocated over the MTEF to support the traditional councils to perform their functions pursuant to section 4 of the Traditional Leadership and Governance Framework Amendment Act, 2003 (Act No. 41 of 2003).

***Gauteng Department of Human Settlements***



The budget and plans of the Department are aligned to decisive spatial transformation, accelerated social transformation, modernisation of the public service, and modernisation of human settlements and urban development pillars. The Department will continue to embark on projects that will contribute decisively to the spatial transformation and radical economic change by ensuring that people are located closer to places of work and economic opportunities.

The total for conditional grants includes a new grant, the Title Deeds Restoration Grant, earmarked for the acceleration of title deeds restoration programme to deal with the Extended Discount Benefit Scheme and the transfer of housing properties to beneficiaries. An amount of R106 million has been availed for this purpose. R747 million is allocated for the mega projects in the central development corridor that include Goudrand Ext 24 (DRD), 3 D Diepsloot east and Cosmo City in 2018/19. An amount of R747 million is allocated for the mixed housing development projects as part of a decisive spatial transformation and modernisation of human settlements in the northern corridor. This amount will fund projects such as Winterveldt EXT 3 Phase 2 and Nelmapius.

For the eastern development corridor, an amount of R747 million is allocated in 2018/19 for the continuation and implementation of projects such as Chief Albert Luthuli, Tsakane Ext 22 and Germiston South. The allocation for the projects in the western development corridor amounts to R754 million and it will fund the mega projects such as Wegterskop, Varkenslaagte and Montrose.

Funding of R754 million is allocated for the southern development corridor in 2018/19 for the mixed housing developments in Sebokeng Ext 28 (Boiketlong Mega), Ratanda Precinct Mega and Finance-Linked Subsidy projects such as Savannah City and Vanderbijlpark Central East No.7, Obed Mthombeni and for the provision of access to basic services.

An amount of R39 million in 2018/19 and R127 million over the MTEF 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 the tools and personnel needed for these activities.



In 2018/19 R151 million is made available for revamping mining towns which include Mogale City, Merafong City and Rand West City while R 112 million is allocated for the provincial priority projects, Khutsong South Ext. 5 & 6, Kokosi Ext. 6 & 7, Simunye Proper (western development corridor) and Goudrand (central development corridor).

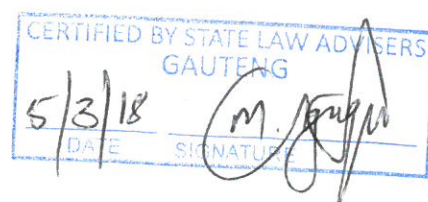
The Department receives an amount of R15.5 million in 2018/19 and R49.2 million over the MTEF for the provincial infrastructure rollout. The Province also makes available R43.7 million in 2018/19 and R144.6 million over the MTEF to augment the Departmental budget for rates and taxes, water and lights for five provincial assets. An amount of R9 million in the form of the EPWP Incentive Grant is allocated to the Department in 2018/19 for job creation initiatives in the Province.

#### ***Gauteng Department of Roads and Transport***

The Department is aligned to the TMR pillars relating to the radical economic transformation; decisive spatial transformation, modernisation of the public service, and the modernisation of human settlements and urban development.

The allocation to the Department includes a transfer to Gautrain Management Agency amounting to R1.9 billion in 2018/19 and totaling R6.2 billion over the MTEF to meet the requirements of the Agency and the infrastructure budget amounting to R2.2 billion in 2018/19 and totaling R6.4 billion over the MTEF. The allocations per corridor are as follows:

**Central development corridor:** The budget for the central development corridor ranges from R131 million made available in 2018/19 and R90 million made available in 2020/21. The key projects in this corridor include P158/2 (N14) Phase 2: Rehabilitation of P158/2 (N14) from Brakfontein to Diepsloot which serves as a transport corridor between the City of Tshwane, the Northern suburbs of Johannesburg and Krugersdorp. K46 (P79-1), An upgrade from a single to a dual carriageway of Road K46 (P79-1) William Nicol from PWV5 to Diepsloot/N14 Phase 2. The project involves the doubling of an existing 7.2km single carriageway between PWV5

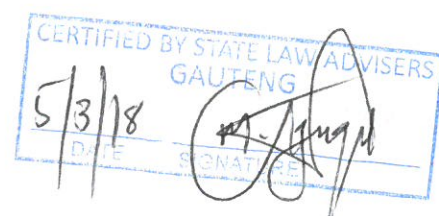


and Diepsloot. The reconstruction and upgrade of the M5 Beyers Naude Road K31 will be upgraded from a single to a 2.3km dual carriageway to accommodate the increase in traffic. The road will provide access to the new Green Gate Development.

**Northern development corridor:** R302 million is allocated in 2018/19 and increases to R351 million in 2020/21. The key projects include the rehabilitation of road P249/1 link between Midrand and North-West Province and serves as a distributor for the rural areas. An upgrade of road K54 which is located in Mamelodi forms an important link between Mamelodi, Moloto and the N4 whilst an upgrade of road K69 from the N4 to Mamelodi to K54 will increase capacity, safety and accessibility for existing and future developments. An upgrade of K101 from D795 Olifantsfontein to N1 Brakfontein will alleviate traffic congestion during peak hours in Midrand area in support of the Waterfall and other developments.

**Southern development corridor:** R155 million is allocated in 2018/19 and it increases to R210 million in 2020/21. This corridor is anchored around the Sedibeng area for the creation of new industries, new economic nodes and new cities. The key projects are R82 Phase 3 (between road D1073 (Walkerville) and K164 (De Deur). The road forms part of the Maize Belt and involves the dualisation of R82 Phase 3 (11.3km) between road D1073 and K164. The objective is to provide an alternative link between Johannesburg and Vereeniging including access to existing and future developments around Walkerville, Eikenhoff and De Deur. The Vaal River City Interchange which will serve as a route to the Free State Province (South), (inter provincial connection) and Sebokeng (North). The project involves the upgrading of 2kms in the Vaal River Interchange, Ascot Ave (future K55) and the Barrage road (K174) and will support future development.

**Western development corridor:** R14 million is made available in the 2018/19 financial year. The key projects include the designing of K11: Randfontein bypass from Mogale City to western area (that is, from road K198 to Mohlakeng). The road will provide access to the planned Westrand Freight Hub whilst also providing for non-motorised and public transport facilities.



**Various development corridors:** The budget ranges from R1.5 billion allocated in 2018/19 to R1.1 billion allocated in 2020/21. This category is for the projects that cut across all development corridors and are not linked to a specific location. The key projects include the upgrade of road K73 between Woodmead Drive and Allandale Road (D58) Mushroom Farm. The K73 cuts across both the Central and Western Corridors. It involves the upgrade of Allandale Road and the construction of a link between Allandale Road and R55 Woodmead Drive to open up Mushroom Farm area for development and alleviate congestion on the R55/ Allandale Road intersection.

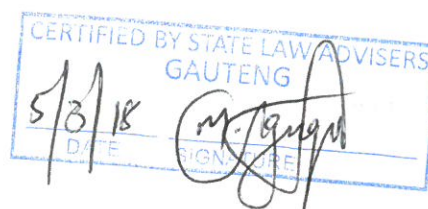
### ***Gauteng Department of Community Safety***

The programmes and budget of the Department support the TMR pillars relating to accelerated social transformation, transformation of the state and governance, modernisation of the public service, and radical economic transformation.

A total of R109.7 million over the 2018 MTEF is allocated for strengthening police oversight which will include the monitoring of all 142 police stations within the Province. Furthermore, R98.3 million is allocated to reduce violent crimes through other interventions including the continuous monitoring of the effectiveness of the criminal justice system.

In relation to crime perception management, R72.2 million is allocated over the 2018 MTEF for campaigns such as 16 days of Activism for No Violence Against Women and Children, Women's Month, Safety Month and Women's Day which are contributing towards the protection of vulnerable groups of society. The Violence against Women and Children (VAWAC) Programme receives R160.9 million in order to create a safe environment for women and children.

The training and capacitating of Community Police Forums is allocated an amount of R151.2 million over the 2018 MTEF. The Department has set aside R27.9 million over the 2018 MTEF to support and monitor Community Safety Forums and street committees.



The reduction of road fatalities is allocated R403.4 million in the 2018/19 financial year which adds to R1.2 billion over the 2018 MTEF. These funds will be used for more robust road safety education programmes and law enforcement operations to combat, amongst others, pedestrian fatalities as pedestrians are categorised as the most vulnerable of all road users.

In addition, hazardous locations will be prioritised and additional operations on freight and public passenger transport focussing on overloading will be conducted.

### ***Gauteng Department of Sport, Arts, Culture and Recreation***

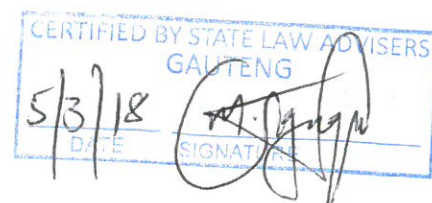
The Department's programmes and budget are linked to radical economic and accelerated social transformation as well as the modernisation of human settlements and urban development and decisive spatial transformation pillars.

The Department will host the Gauteng Social Cohesion Carnival and will implement various visual and performing arts and culture programmes in arts focused schools and community programmes to enhance social transformation for which an amount of R90.7 million is allocated over the 2018 MTEF. The programmes will contribute to radical economic transformation through craft hubs, arts programmes and support for the creative industries.

The Department plans to continue supporting the Gauteng Film Commission with an amount of R30.4 million in 2018/19.

The commemorative days remain a critical part of the programme to promote social cohesion and nation building, with over R60 million allocated over the MTEF.

In line with the modernisation of human settlements and urban development and decisive spatial transformation pillars, R89.4 million is allocated over the 2018 MTEF to equip and operationalise the Provincial Archives Centre and R57.1 million to operationalise community libraries. In addition, R19.1 million is allocated over the 2018 MTEF to digitalise libraries in



an effort to continuously modernise community libraries and instill a culture of reading and learning.

Furthermore, the Department will operationalise three heritage sites, namely Boipatong, Kagiso and the Women's Living Heritage Monuments, with an allocation of R47.7 million in 2018/19 and R143 million over the 2018 MTEF in order to preserve, promote and protect the heritage resources throughout the Province.

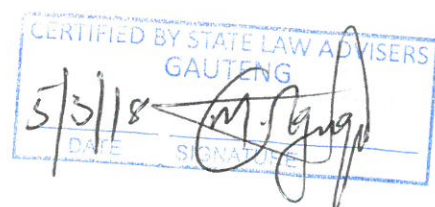
The Department will continue to host major sport, arts and culture events such as the Soweto Marathon, the O R Tambo Soncini Games, the Premier's Social Cohesion Games (football and rugby) and the Tri-Colour games with an allocation of R29.4 million in 2018/19 and R79.2 million over the 2018 MTEF. The Premier's Social Cohesion Integrated Holiday Programme will also continue over the 2018 MTEF with an allocation of R10.3 million in 2018/19 and R38.1 million over the 2018 MTEF. R35.5 million is allocated over the 2018 MTEF for the Annual Nelson Mandela Remembrance Walk and Race which will be expanded not only to promote heritage along the route but also to incorporate a fun-run to attract fitness-conscious people.

An amount of R103 million is allocated to bid and host for three signature events (the Arnold Games, Under-17 Future Champions and the Southern Sunshine Tour) which are aimed at strengthening the support and awareness for competitive sport.

In order to further transform spatial development patterns and ensure decent living conditions and sustainable human settlements, the Department plans to finalise the construction of 12 community libraries across the Gauteng City Region over the 2018 MTEF and refurbish the H M Pitje Stadium. A total of R68.2 million is allocated for the aforesaid provincial infrastructure.

### ***Gauteng Department of Agriculture and Rural Development***

The Department responds to five of the TMR Programme, namely radical economic transformation, decisive spatial transformation, accelerated social transformation,



modernisation of the economy, and modernisation of human settlements and urban development

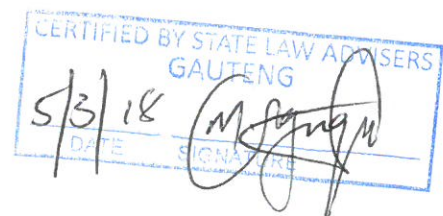
To support this strategy, the Department receives R619 million over the MTEF for the farmer support and development. The funds will be used to mainstream urban agriculture through the construction of hydroponic, supply and construction of on-farm infrastructure such as piggery and poultry structures, and promotion of school and community food gardens to continue with the food security initiative.

The research and technology development services is allocated R238 million over the 2018 MTEF mainly for development of vertical hydroponics in Agrotropolis designated area, Climate-Smart Agriculture project; Horticulture Training Platform, Agrifood Research and to continue with maintenance and expansion of the existing Agri-parks which will include an additional agri-park in each year over the MTEF. An amount of R33.2 million is allocated for the development of the Agrotropolis over the MTEF.

Over the 2018 MTEF, R24.6 million is allocated for the maintenance and operational costs of agro-processing and milling plants infrastructure to support the SMMEs in the farming sector.

Agricultural SMMEs will be further supported through the provision of training to agropreneurs and the construction of three new agro-processing infrastructure over the next three years, for which a total allocation of R93.8 million is provided.

Over the 2018 MTEF, veterinary services receive R323 million to continue to focus on community services and primary animal health care in townships, mobile clinical veterinary services targeting small-scale farmers, disease control and animal health veterinary interventions with emerging and commercial farmers, surveillance, biosecurity compartment inspections, and mobile abattoir projects linked to the Township Economy Revitalisation Strategy of the Province.





Allocations over the 2018 MTEF which prioritise managing a sustainable use of environment include R15 million for providing recycling facilities and buy-back centres that have recycling equipment, R5 million for the rehabilitation of illegal dump sites and for focusing on waste management, co-ops trained in townships, sustainable clean ups and separation of waste at source.

The nature reserves are allocated R63 million over the 2018 MTEF to deal with the infrastructure backlog for buildings, roads, fences and bulk infrastructure.

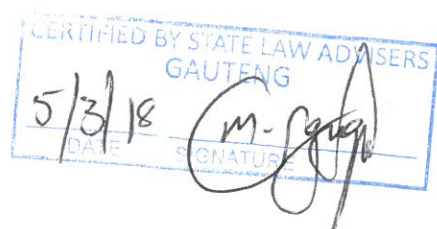
### ***Gauteng Department of e-Government***

In line with the pillar relating to the modernisation of the economy and public service, the Department is key in delivering on the Gauteng Provincial Government's commitment about increasing penetration and coverage of connectivity across the Province.

A total of R2.9 billion is made available over the 2018 MTEF to provide the ICT infrastructure and the platform for common GCR e-Services. This amount includes R1 billion that is allocated over the MTEF for a further implementation of the Gauteng Broadband Network ("GBN") Project that supports the Province's goal of providing 100 percent connectivity by 2019. The Project is planned to provide connectivity to 850 sites in 2018/19 and 458 sites in 2019/20. It also planned to provide LAN/ WAN integration in 476 and 500 sites in these two financial years, respectively, especially in the sites that are not readily compatible to access the broadband network. A further 120 sites will be provided with Voice Over Internet Protocol (VoIP) to maximise the usage of GBN by departments and entities as well as to generate savings on telephony.

The balance of R1.9 billion allocated over the MTEF caters for the delivery of e-government services and for the Department's initiatives for digitising the government's back office functions including various HR-related processes.

### ***Gauteng Provincial Treasury***



The role of the Gauteng Provincial Treasury is central to the achievement of the TMR Programme to ensure that Gauteng is developed into an integrated, socially cohesive, economically inclusive city-region, underpinned by a smart and green industrial economy. The Department contributes towards the transformation of the state and governance pillar through the initiatives that aim to reduce fraud and corruption and promote clean government across the province.

A total of R516.6 million is allocated over the 2018 MTEF to promote good financial governance. The Department will utilise this allocation to provide accounting services that will achieve unqualified audit outcomes for provincial departments and public entities and to implement the Province's Forensics Services Strategy in order to eradicate fraud and corruption.

The Department also allocates R128 million in 2018/19, which increases to R141.4 million in 2020/21 to promote and enforce transparency and effectiveness of supply chain management in the Province. Included in this amount is R77.7 million that is allocated over the 2018 MTEF to provide for the probity audits in respect of open tenders in all provincial departments and identified entities and local municipalities. In line with the supplier development and training to facilitate greater participation in government procurement, there will be 1 238 and 1 188 registered suppliers who will undergo supplier development in 2018/19 and 2019/20, respectively.

To contribute towards the radical economic transformation, the Department allocates R185.8 million to the Gauteng Infrastructure Financing Agency (GIFA) over the MTEF to source alternative funding for Gauteng's strategic infrastructure projects. The GIFA will continue to support public institutions in the Province through performing project preparation and facilitating innovative financing solutions.



The Department also allocates R5.6 million in 2018/19 which increases to R6.2 million in 2020/21 to fund the integration and automation of business processes and annual financial reporting. These improvements aim to modernise the Department’s service delivery.

***Gauteng Department of Infrastructure Development***

The Department contributes towards the radical economic and social transformation, modernisation and re-industrialisation of Gauteng by supporting the development of township enterprises, co-operatives and small, micro and medium enterprises.

The Department contributes to economic transformation in Gauteng by providing 7 000 work opportunities through Expanded Public Works Programme (“EPWP”) of which 4 500 work opportunities are through the Zivuseni Reloaded Programme and 2 500 through the National Youth Service (“NYS”) Skills Development Programme. The NYS and Zivuseni allocation amounts to R76 million in 2018/19 and R243.8 million over the MTEF. The EPWP training is allocated R591.7 million over the 2018 MTEF.

The Department receives R193 million for the infrastructure programme in 2018/19. Included in this allocation is the EPWP incentive grant of R17.8 million. Of the 2018/19 allocation, R108.6 million is allocated to projects at a construction stage while R82.5 million is allocated to projects at a design stage and R2.26 million is allocated to projects at a feasibility stage.

The Department, as the custodian of immovable property for GPG, receives R901 million in 2018/19 and R2.9 billion over the 2018 MTEF to provide for the payment of rates and taxes.

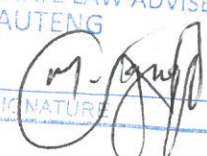
**4. PROVINCIAL FISCAL FRAMEWORK**

**4.1 Provincial Revenue**

**Table 1: Provincial Revenue Envelope**

	<b>Medium-term estimates</b>
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GAUTENG  
5/3/18  
DATE SIGNATURE



<b>R thousand</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Provincial equitable share	93 384 285	100 923 135	109 092 089
Conditional grants	21 510 638	22 701 792	24 539 464
<b>Total transfers from National</b>	<b>114 894 923</b>	<b>123 624 927</b>	<b>133 631 553</b>
Provincial own revenue	6 014 366	6 367 449	6 733 892
<b>Gross Revenue</b>	<b>120 909 289</b>	<b>129 992 376</b>	<b>140 365 445</b>
Less: Direct Charges Office Bearers	(77 014)	(81 588)	(86 435)
Financing from PRF	541 882		
<b>Total Revenue</b>	<b>121 374 157</b>	<b>129 910 788</b>	<b>140 279 009</b>

The Province receives R114.9 billion in the form of transfers from the national government in 2018/19, as shown in Table 1 above. This amount grows to R133.6 billion in the outer years of the MTEF.

The conditional grants account for 18.7 percent of the total transfers from national in 2018/19 and decreases to 18.4 percent in 2020/21. Changes in the allocation of the conditional grant are informed by fast growth, low spending and/or where the impact was lesser on economic growth or service delivery.

The provincial own receipts account for 5 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 legislation.

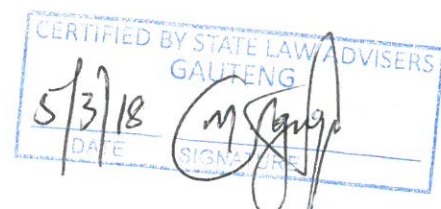
#### 4.2 Conditional grants

**Table 2: Summary of Conditional Grants**

<b>Summary of Conditional Grants</b>	<b>Medium-term estimates</b>		
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>Department/Grant</b>			
<b>R thousand</b>			
<b>Agriculture and Rural Development</b>	<b>128 010</b>	<b>132 297</b>	<b>140 709</b>



Comprehensive Agricultural Support Programme Grant	92 333	94 648	100 989
Ilima/Letsema Projects Grant	30 278	31 974	33 733
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 399	5 675	5 987
<b>Sport, Arts, Culture and Recreation</b>	<b>254 012</b>	<b>269 241</b>	<b>284 981</b>
Community Library Services Grant	168 530	177 784	187 681
Mass Sport and Recreation Participation Programme Grant	85 482	91 457	97 300
<b>Education</b>	<b>2 295 999</b>	<b>2 255 705</b>	<b>2 463 500</b>
Education Infrastructure Grant	1 373 073	1 283 691	1 424 381
HIV and Aids (Life Skills Education) Grant	35 959	37 907	39 869
National School Nutrition Programme Grant	807 454	847 827	908 052
Maths, Science and Technology Grant	53 062	56 042	58 483
Learners with Profound Intellectual Disabilities Grant	26 451	30 238	32 715
<b>Health</b>	<b>10 504 382</b>	<b>11 554 987</b>	<b>12 589 919</b>
Comprehensive HIV, AIDS and TB Grant	4 239 277	4 909 315	5 522 037
Health Facility Revitalisation Grant	874 842	864 748	912 310
Health Professions Training and Development Grant	972 759	1 027 240	1 083 738
National Tertiary Services Grant	4 390 192	4 724 843	5 041 407
Human Papillomavirus Vaccine Grant	27 312	28 841	30 427
<b>Social Development</b>	<b>65 432</b>	<b>69 156</b>	<b>73 789</b>
Early Childhood Development Grant	62 777	66 287	70 728
Subsidy component	57 762	60 993	65 079
Maintenance component	5 015	5 294	5 649
Social Worker Employment Grant	2 655	2 869	3 061
<b>EPWP Integrated Grant</b>	<b>46 758</b>		
Agriculture and Rural Development	2 621		
Education	2 480		
Health	2 324		
Cooperative Governance and Traditional Affairs	2 000		
Infrastructure Development	17 780		
Roads and Transport	6 490		
Human Settlements	9 063		
Social Development	2 000		
Sport, Arts, Culture and Recreation	2 000		
<b>Social Sector EPWP Integrated Grant</b>	<b>14 241</b>		
Community Safety	1 448		
Education	8 375		
Health	1 470		
Social Development	1 485		
Sport, Arts, Culture and Recreation	1 463		
<b>Human Settlements</b>	<b>5 152 394</b>	<b>5 348 304</b>	<b>5 716 361</b>



Human Settlement Development Grant (HSDG)	5 046 583	5 236 578	5 598 471
Title Deeds Restoration Grant	105 811	111 726	117 890
<b>Roads and Transport</b>	<b>3 049 410</b>	<b>3 072 102</b>	<b>3 270 205</b>
Provincial Roads Maintenance Grant	742 522	636 028	670 914
Public Transport Operations Grant	2 306 888	2 436 074	2 599 291
<b>Total Conditional Grants by Vote</b>	<b>21 510 638</b>	<b>22 701 792</b>	<b>24 539 464</b>

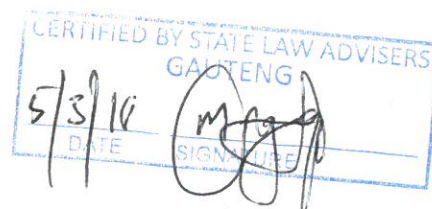
Table 2 provides the conditional grants allocation per provincial department. The total allocation for the Province increases from R21.5 billion in 2018/19 to R24.5 billion in 2020/21.

### 4.3 Provincial own receipts

**Table 3: Provincial Own Receipts**

R thousand	Medium-term estimates		
	2018/19	2019/20	2020/21
Office of the Premier	529	558	589
Economic Development	1 043 025	1 093 910	1 147 938
Health	507 949	536 796	566 320
Education	31 971	32 770	34 572
Social Development	3 409	3 601	3 799
Cooperative Governance and Traditional Affairs	563	594	627
Human Settlements	5 181	5 471	5 772
Roads and Transport	3 892 911	4 110 915	4 337 016
Community Safety	34 245	35 780	37 617
Agriculture and Rural Development	16 386	17 304	18 255
Sport, Arts, Culture and Recreation	397	403	425
e-Government	638	665	702
Gauteng Provincial Treasury	451 611	501 701	551 795
Infrastructure Development	25 550	26 981	28 465
<b>Total provincial own receipts by Vote</b>	<b>6 014 366</b>	<b>6 367 449</b>	<b>6 733 892</b>

Table 3 summarises the budgeted own receipts to be collected by GPG departments between 2018/19 to 2020/21 financial years. Over the 2018 MTRF, the total provincial own receipts are projected to increase by R719.5 million or 11.9 percent from R6 billion in 2018/19 to R6.7 billion in 2020/21.



Approximately 98 percent of the total provincial own receipts is generated from four departments, namely Gauteng Department of Roads and Transport, Gauteng Department of Economic Development, Gauteng Department of Health and Gauteng Provincial Treasury. All other departments combined generate two percent of the total provincial own receipts.

The Gauteng Department of Roads and Transport is projected to increase own receipts by R444.1 million from R3.9 billion in 2018/19 to R4.3 billion in 2020/21. This comprises mostly of motor vehicle license renewal payments. In Gauteng Department of 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 2018/19 to R1.1 billion in 2020/21. The Gauteng Department of Health is projected to increase the collection from R507.9 million in 2018/19 to R566.3 million in 2020/21. In the Gauteng Provincial Treasury, the estimated revenue is projected to increase from R451.6 million to R551.8 million over the MTRF.

## 5. 2018 MTEF BUDGET ALLOCATIONS

**Table 4: Provincial MTEF Allocations**

<b>R thousand</b>	<b>Medium-term estimates</b>		
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Office of the Premier	702 694	695 547	735 712
Gauteng Provincial Legislature	715 824	761 430	806 130
Economic Development	1 510 450	1 587 355	1 676 058
Health	46 429 326	49 031 984	52 415 712
Education	45 220 540	47 780 764	50 741 196
Social Development	4 983 495	5 293 915	5 599 412
Cooperative Governance and Traditional Affairs	468 235	496 588	527 317
Human Settlements	5 888 425	6 117 655	6 534 918
Roads and Transport	7 713 818	8 269 666	7 954 125
Community Safety	719 495	759 694	805 786
Agriculture and Rural Development	957 000	1 010 840	1 036 994
Sports, Arts, Culture and Recreation	942 652	989 706	1 079 675
e-Government	1 273 826	1 342 611	1 421 333
Gauteng Provincial Treasury	796 413	831 470	882 786
Infrastructure Development	3 036 964	3 122 694	3 261 766
<b>Total provincial estimates by Vote</b>	<b>121 359 157</b>	<b>128 091 920</b>	<b>135 478 920</b>



The provincial allocation amounts to R121.4 billion in 2018/19 and it grows to R135.5 billion in 2020/21, as shown in Table 4. The total budget includes both the national and provincial additional funding. The details are explained below.

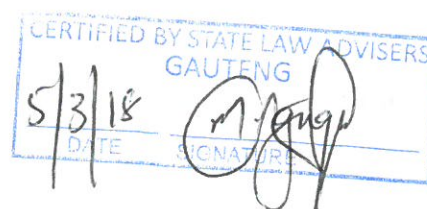
## 6. SUMMARY OF ADDITIONAL FUNDING

**Table 5: Summary of Equitable Share Additional Funding (excluding infrastructure)**

<b>R thousand</b>	<b>Medium-term estimates</b>		
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Office of the Premier	56 107	14 613	15 195
Economic Development	4 000	4 000	5 800
Health	3 408 420	3 618 211	3 840 955
Education	1 545 841	1 644 413	1 749 444
Social Development	154 076	259 785	289 508
Human Settlements	43 700	48 070	52 877
Agriculture and Rural Development	14 517	15 839	15 068
Sport, Arts, Culture and Recreation	16 770	10 835	11 431
e-Government	105 400	111 197	117 313
Gauteng Provincial Treasury	31 900	18 400	18 700
Infrastructure Development	230 000	244 950	260 872
<b>Total provincial payments and estimates by Vote</b>	<b>5 610 731</b>	<b>5 990 313</b>	<b>6 377 162</b>

The additional funding (excluding infrastructure) that is allocated to provincial departments amounts to R18 billion over the 2018 MTEF as shown in Table 5. Over this period, the Gauteng Department of Health and Gauteng Department of Education receive the largest allocation amounting to R10.9 billion and R4.9 billion, respectively. This amount includes the continuation of funds that were initially allocated for the provincial priorities during the 2017/18 adjustment budget and the funds allocated for the priorities of the 2018 MTEF period.

Out of the R18 billion, R2.2 billion from the national government is specifically allocated for baseline adjustment for wage inflation, Violence Against Women and various social services following the Nawongo court judgement. The balance of R16 billion, is made available to fund the prioritised programmes and projects that support the implementation of the TMR Programme. The details of allocations per provincial department are stated below.





### ***Gauteng Office of the Premier***

An amount of R23 million is allocated over the MTEF to continue strengthening the fight against corruption through the Integrity Management Programme while an amount of R14.3 million is allocated in 2018/19 for the costs of the Alternative Dispute Resolution Special Project in respect of Life Esidimeni tragedy.

An additional R28 million is allocated in 2018/19 to provide for the compensation claims in respect of the Life Esidimeni tragedy. In addition, R20.5 million is allocated over the MTEF for the GEYODI projects which include the rollout of the military veteran action plan, implementation of the migration programme, lesbian, gay, bisexual, transgender, intersex and questioning (LGBTIQ) and the International Day for Older Persons.

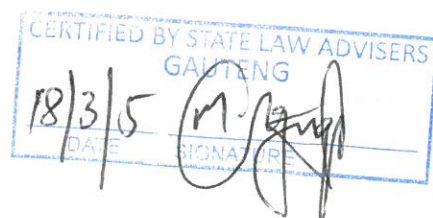
### ***Gauteng Department of Economic Development***

The Department receives an additional amount of R4 million in 2018/19 and a combined allocation of R13.8 million over the 2018 MTEF to boost tourism business in the Province. The funds will be utilised for the implementation of the value-adding product development, packaging, promotions and setting up self-sustaining structures in order to link tourism nodes and grow tourism, especially in townships.

### ***Gauteng Department of Health***

The Department receives R10.9 billion over the 2018 MTEF. This amount comprises of R4.7 billion that is allocated to augment the personnel bill of healthcare professionals in the Department, R4.8 billion to repay the accrued liabilities in respect of core items and services rendered by the National Health Laboratory Services, R1.2 billion for critical goods and services and R100.2 million for the improvement of Emergency Medical Services in the City of Tshwane Metropolitan Municipality.

### ***Gauteng Department of Education***



The addition to the budget baselines of the Department amount to R1.5 billion in 2018/19 and R4.9 billion over the 2018 MTEF. This amount comprises R2.9 billion over the MTEF to augment the personnel budget caused by the ongoing growth in learner numbers, R187.1 million for the school nutrition programme over the MTEF and R731.2 million for scholar transport over the MTEF and R56.3 million for the procurement of school furniture over the MTEF. The Department also receives R753.7 million for municipal services to provide for higher municipal tariffs.

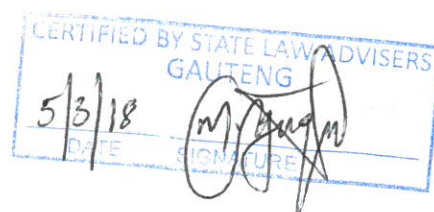
The Department also receives funding to provide for the requirements of learners with special needs to address barriers to their learning and development. An amount of R158.4 million is allocated for scholar transport to provide specialised and customised transport for learners with special education needs (LSEN). R142.9 million is made available to subsidise the running costs of special schools, to provide for the learner and teacher support materials, and to fund the other administrative costs.

### ***Gauteng Department of Social Development***

The Department receives a total of R703.3 million over the 2018 MTEF to provide for key policy imperatives.

The total amount includes R245.9 million received from the national government, of which R157.6 million caters for the prevention of violence against women and the expansion of the Isibindi Programme. The Isibindi Programme is aimed at providing a community-based care and protection interventions for vulnerable children. The balance of R88.3 million caters for the funding gap between the actual cost of providing social welfare services and the current subsidies provided.

The total amount also includes R457.4 million that is allocated from the provincial resources to provide for key policy priority areas. The amount comprises of R57.5 million that is allocated to reach parity in the payment of stipends to caregivers across the Department, R156.5 million



for the Dignity Packs programme, R237.8 million for the absorption of social worker graduates, and R5.6 million to provide the tools of trade such as laptops, telephones and furniture for these graduates.

***Gauteng Department of Human Settlements***

The Department receives R43.7 million in 2018/19 and a combined amount of R144.6 million over the 2018 MTEF to repay debts owed to municipalities in respect of the portfolio of inner-city hostels that are provincially owned.

***Gauteng Department of Agriculture and Rural Development***

The Department is allocated an additional R14.5 million in 2018/19 and R45.4 million over the 2018 MTEF. Out of this amount, R35.4 million is allocated for the appointment of veterinarians in townships along the four corridors as per the requirements of the Primary Animal Health Care compulsory community service, R5 million is allocated to augment funding for the Department's internship programme as per the requirements of the Department of Public Service and Administration's determination on interns in the public service whilst the remaining R5 million is for the ICT data centre which requires annual processing and storage upgrade.

***Gauteng Department of Sport, Arts, Cultural and Recreation***

The Department receives an additional allocation of R16.8 million in 2018/19 which accumulates to R39 million over the 2018 MTEF. This includes R32.5 million for the continuation of Premier's Social Cohesion Integrated Holidays Programme that is aimed at actively involving youth and unemployed adults in sport, arts, cultural and recreational activities. The balance of R6.5 million is for the Tri-Colour Games in July 2018 and includes funding for preparatory games.

***Gauteng Department of e-Government***



The allocations for the Gauteng Broadband Network Project increase by R105.4 million in 2018/19, R111.2 million in 2019/20 and R117.3 million in 2020/21 to continue with the rollout of government sites, including the improvement of existing local area networks (LANs) to enable end-to-end connectivity.

### ***Gauteng Provincial Treasury***

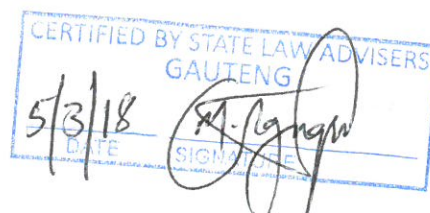
The Department receives an additional R23.6 million over the 2018 MTEF to fund the probity audits that aim to improve transparency in government procurement processes through the open tender process.

An additional R29 million is allocated over the 2018 MTEF to provide for the growth in forensic requests that require investigations and for the outsourcing of forensic audit service to augment the Department's capacity.

For the ICT requirements of the Department, a total of R16.4 million is allocated over the 2018 MTEF. This amount includes R6 million for the programme of refreshing the ICT equipment and R1.5 million for the youth support programme in 2018/19. The balance of R8.9 million caters for the commissioning of three new servers and for the increase of space on servers hosted by the Gauteng Department of e-Government on behalf of the Department.

### ***Gauteng Department of Infrastructure Development***

The Department is allocated an additional R230 million in 2018/19 and a total of R735.8 million over the 2018 MTEF. The total is disaggregated as follows: R130 million is made available in 2018/19 and R415.9 million over the 2018 MTEF to fund the payment of monthly leases of office accommodation occupied by the Gauteng Provincial Government departments, which has continued to expand to cover the increased need for office accommodation while R100 million is allocated in 2018/19 and R319.9 million over the 2018 MTEF to fund the payment of property rates and taxes in line with higher municipal tariffs.



## 7. SUMMARY OF GPG INFRASTRUCTURE ALLOCATIONS

**Table 6: Summary of GPG Infrastructure by Department**

R thousand	Medium-term estimates		
	2018/19	2019/20	2020/21
Health	1 816 534	864 748	912 310
Education	1 698 617	1 413 815	1 453 429
Social Development	135 858	55 495	49 917
Human Settlements	5 176 947	5 364 693	5 733 651
Roads and Transport	2 203 768	2 437 621	1 764 582
Agriculture & Rural Development	32 814	62 808	30 547
Sport, Arts, Culture & Recreation	70 239	95 937	95 677
Infrastructure Development	193 366	104 827	68 220
<b>Total Infrastructure by Vote</b>	<b>11 328 143</b>	<b>10 399 944</b>	<b>10 108 333</b>

The provincial infrastructure allocation amounts to R11.3 billion in 2018/19 and it reduces to R10.1 billion in 2020/21, as shown in Table 6 that summarises the budget allocations of eight GPG infrastructure departments over the 2018 MTEF.

Of the total budget for the provincial infrastructure portfolio amounting to R31.8 billion over the 2018 MTEF, the largest share is allocated to the Gauteng Department of Human Settlements (51.1 percent), followed by Gauteng Department of Roads and Transport (20.1 percent), Gauteng Department of Education (14.3 percent) and Gauteng Department of Health (11.3 percent).

In terms of infrastructure categories, R5.5 billion is allocated over the 2018 MTEF for new infrastructure where most of the budget is allocated to the Gauteng Department of Human Settlements for the construction of new housing units and houses, legacy and mega projects that support the plan for Gauteng City Region towards Vision 2030.

## 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 67.7 billion in 2018/19, R 72 billion in 2019/20 and R76.9 billion in 2020/21.

**10. SOCIAL IMPACT**

The allocations to provincial departments will contribute to the achievement of the Province's outputs and outcomes.

**11. FINANCIAL IMPLICATIONS**

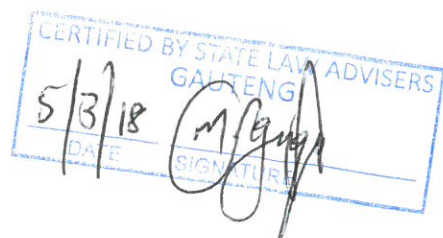
The Provincial Main Appropriation amounts to R121.4 billion in 2018/19, R128.1 billion in 2019/20 and R135.5 billion in 2020/21. The social sector departments (i.e. Gauteng Department of Health, Gauteng Department of Education and Gauteng Department of Social Development receive) an annual average of 79.9 percent of the total appropriation over the MTEF.

**12. COMMUNICATION IMPLICATIONS**

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

**13. 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 pursuant to section 215 of the Constitution of the Republic of South Africa, 1996.



**14. ENVIRONMENTAL IMPACT**

No negative impact.

**15. OTHER DEPARTMENTS OR BODIES CONSULTED**

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

**16. CLAUSE BY CLAUSE DESCRIPTION OF THE BILL**

Clause 1 of the Bill contains definitions of important words and processes. Clause 2 contains details about the appropriations for use by the Province for the financial year ending 31 March 2019. Clause 3 deals with appropriation that are specifically and exclusively listed. Clause 4 contains the short title of the Bill upon becoming a provincial Act. The Schedule to the Bill contains details of appropriation by vote as explained above.

