

Enquiries: Adv Monwabisi Nguqu Telephone number: (011) 355 6312/ 063 698 5430 Reference number: 11/1/1/130

Mr Mncedisi Vilakazi
Acting Head of Department
Gauteng Provincial Treasury
Imbumba House
75 Fox Street
Marshalltown
Johannesburg
2107

Dear Mr Vilakazi

RE: CERTIFICATION OF GAUTENG PROVINCIAL THIRD ADJUSTMENTS APPROPRIATION BILL, 2020

- Kindly find attached for your attention, a copy of the above-mentioned Bill, Schedule and Memorandum on the Objects of the Bill, as duly certified by the State Law Advisory Services.
- 2. The State Law Advisory Services classify the Bill as a money Bill envisaged in Rule 192(2) of the Standing Rules of the Gauteng Provincial Legislature, read with section 120 of the Constitution of the Republic of South Africa, 1996.
- Please note that no changes may be made to the certified Bill and the Memorandum without the prior approval of the State Law Advisory Services. Any unauthorised change will nullify the certification of the Bill, together with the Schedule and the Memorandum thereto.
- 4. The State Law Advisory Services do not certify the correctness of the amounts reflected in the Schedule and the Memorandum, as these are the responsibility of the Gauteng Provincial Treasury.
- 5. Kindly ensure that this certificate accompanies the Bill, together with the Schedule and the Memorandum, when they are introduced in the Gauteng Provincial Legislature.

Yours sincerely,

Adv. Geert Kuit

**Chief Director: State Law Advisory Services** 

Date: 10/3/2021



#### GAUTENG PROVINCIAL LEGISLATURE

# GAUTENG PROVINCIAL THIRD ADJUSTMENTS APPROPRIATION BILL, 2021

(As introduced in the Gauteng Provincial Legislature in terms of rule 192(2) of the Standing Rules of the Gauteng Provincial Legislature, 2018 read with section 119 of the Constitution of the Republic of South Africa, 1996 (section 120 Bill))

(The English Text is the official text of the Bill)

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

[B-2021]



## BILL

To effect adjustments to the appropriation of money from the Gauteng Provincial Revenue Fund for the requirements of the Province of Gauteng in respect of the financial year ending 31 March 2021; and to provide for matters incidental thereto or connected therewith.

### 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WHEREAS section 226(2)(a) of the Constitution of the Republic of South Africa, 1996, provides that money may be withdrawn from the Gauteng Provincial Revenue Fund only in terms of an appropriation by a provincial Act, or as a direct charge against the Fund, when it is provided for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), enjoins the Gauteng Provincial Legislature to appropriate money for each financial year for the requirements of the Province;

**AND WHEREAS** the Gauteng Provincial Appropriation Act, 2020 (Act No. 2 of 2020), provides for the appropriation of money from the Gauteng Provincial Revenue Fund to provide for the requirements of the Province in respect of the financial year ending 31 March 2021;

**AND WHEREAS** section 31(1) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), provides that the Member of an Executive Council responsible for finance in the Province may table an adjustments budget in the Gauteng Provincial Legislature, subject to subsection (3) thereof.



**B**E IT THEREFORE ENACTED by the Gauteng Provincial Legislature, as follows:—

#### **Definitions**

1. In this Act, any expression, phrase or word to which a meaning has been assigned in section 1 of the Gauteng Provincial Appropriation Act, 2020 (Act No. 2 of 2020), or section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), has the meaning assigned to it in that Act.

#### Adjustments to appropriation of money for requirements of Province

- 2. (1) Adjustments to appropriations by the Provincial Legislature of money from the Gauteng Provincial Revenue Fund for the requirements of the Province in the financial year ending 31 March 2021, to votes and main divisions within a vote, and for the specific listed purposes, is set out in the Schedule.
- (2) The spending of appropriations referred to in subsection (1) is subject to this Act and the Public Finance Management Act, 1999.

#### Amounts listed as specifically and exclusively appropriated

3. An amount that is listed as specifically and exclusively appropriated may be used only for the purpose indicated, unless the amount or purpose is amended by, or in terms of, a provincial Act.

#### **Short title**

**4.** This Act is called the Gauteng Provincial Third Adjustments Appropriation Act, 2021.

CERTIFIED BY STATE LAW ADVISERS
GAUTENG 10/3/2021 DATE

SICINATU

SCHEDULE

(As a charge to the Provincial Revenue Fund)

		Details	of appropriated	amount					
Vote		Curr	ent Payments						Specified transfer
R thousand	Adjusted Appropriation	Compensation of Employees	Goods and Services	Other	Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Final Adjusted Appropriation	payments and amounts specifically and exclusively appropriated
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Office of the Premier  Vision: Leadership for an integrated city-region, characterised by social cohesion and economic inclusion; the leading economy on the continent, underpinned by sustainable socio-economic development	886 038							886 038	
1. Administration	320 400							320 400	
Institutional Development	267 743							267 743	
Policy and Governance     of which	297 895							297 895	
Transfers to Higher education institutions									
GCRO	30 182								30 182
Transfers to Non-Profit Institutions	131 108								131 108
2. Gauteng Provincial Legislature								817 763	701 700
Vision: A modern and transformative legislature that fosters public pride and confidence in democracy and enhances service delivery to the people of Gauteng	817 763							617 703	
Leadership and Governance	51 859							51 859	
2. Office of the Secretary	31 339							31 339	
Corporate Support Services     of which	401 283							401 283	
	442.502								142 592
Transfers to Non-Profit Institutions 4. Core Business	142 592 257 413							257 413	142 332
5. Office of the CFO	75 869							75 869	
3. Economic Development  Vision: A radically transformed, modernised and re- industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity	1 944 592							1 944 592	
1. Administration	267 233							267 233	
2. Integrated Economic Development Services	477 897							477 897	
of which Transfers to Departmental Agencies and Accounts									
Gauteng Enterprise Propeller 3. Trade and Sector Development of which	477 897 755 595							755 595	477 897
National conditional grants Expanded Public Works Programme (EPWP) Integrated Grant	2 000								2 000
Transfers to Departmental Agencies and Accounts									
Gauteng Growth and Development Agency	569 691								569 691
Cradle of Humankind	59 940								59 940
Dinokeng	28 115								28 115
Gauteng Tourism Authority 4. Business Regulation and Governance	97 850 100 322							100 322	97 850
of which									
Transfers to Departmental Agencies and Accounts									
Gauteng Liqour Board	24 559								24 559
Gauteng Gambling Board 5. Economic Planning	27 873 343 545							343 545	27 873
Health Vision: A responsive, value-based, people-centred	58 835 503							58 835 503	

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SCHEDULE

(As a charge to the Provincial Revenue Fund)

10/3/2021 Details of appropriated amount

Specified **Current Payments** Vote transfer payments **Payments** Final Transfers **Payments** and Adjusted amounts for Capital Adjusted and Appropriation Financial Goods and Compensation Subsidies specifically Assets Appropriation Other R thousand Assets of Employees Services exclusively appropriated 2 405 845 1. Administration 2 405 845 of which National conditional grants Provncial Disaster Relief Grant 115 996 115 996 18 896 930 18 896 930 2. District Health Services of which National conditional grants 5 928 558 5 928 558 HIV, TB, malaria and community outreach grant Statutory Human Resources, Training and Development Grant 29 632 29 632 Social Sector Expanded Public Works Programme 30 524 30 524 Incentive Grant for Provinces 53 674 National Health Insurance Grant 53 674 445 569 445 569 Transfers to Municipalities Transfers to Non-profit institutions 406 627 406 627 3. Emergency Medical Services 1 586 670 1 586 670 Transfers to Municipalities 74 920 74 920 9 945 440 4. Provincial Hospital Services 9 945 440 of which National conditional grants Statutory Human Resources, Training and 371 445 Development Grant 371 445 National Tertiary Services Grant 36 763 36 763 19 676 222 19 676 222 5. Central Hospital Services of which 217 003 Transfers to Non-Profit Institutions 217 003 National conditional grants 5 107 720 5 107 720 National Tertiary Services Grant Statutory Human Resources, Training and Development Grant 999 217 999 217 979 639 979 639 6. Health Sciences and Training of which 23 352 Transfers to Departmental Agencies and Accounts 23 352 15 459 Transfers Higher Education Institutions 15 459 385 264 7. Health Care Support Services 385 264 4 959 493 4 959 493 8. Health Facilities Management National conditional grants 968 210 Health Facility Revitalisation 968 210 Expanded Public Works Programme (EPWP) 2 196 2 196 Integrated Grant 5. Education 52 876 598 52 876 598 Vision: Every learner feels valued and inspired in our innovative education system. 3 615 647 1. Administration 3 615 647 2. Public Ordinary School Education 39 443 407 39 443 407 of which National conditional grants 27 961 27 961 HIV/AIDS (Life Skills Education) 955 658 National School Nutrition 955 658 49 377 Maths, Science and Technology 49 377 2 853 161 Transfers to Non-Profit Institutions 2 853 161 3. Independent School Subsidies 901 175 901 175 of which

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GAUTENG

SCHEDULE

(As a charge to the Provincial Revenue Fund)

10/3/2021

SIGNATA

Details of appropriated amount Specified **Current Payments** Vote transfer payments **Payments** Final Transfers **Payments** and Adjusted for Capital Adjusted amounts and Financial Appropriation Compensation Goods and Subsidies specifically Assets Appropriation Other R thousand Assets of Employees Services exclusively appropriated 895 175 895 175 Transfers to Non-Profit Institutions 3 689 997 4. Public Special School Education 3 689 997 of which National conditional grants Learners with Profound Intellectual Disabilities 33 715 33 715 876 194 876 194 Transfers to Non-Profit Institutions 5. Early Childhood Development 1 096 028 1 096 028 of which 216 298 Transfers to Non-Profit Institutions 216 298 1 412 897 6. Infrastructure Development 1 412 897 National conditional grants 1 274 620 1 274 620 Education Infrastructure 2 717 447 7. Examination and Education Related Services 2 717 447 National conditional grants Expanded Public Works Programme Integrated Grant Social Sector Expanded Public Works Programme 2 103 Incentive Grant for Provinces 2 103 Transfers to Non-Profit Institutions 1 141 549 1 141 549 79 261 Transfers to Departmental Agencies and Accounts 79 261 6. Social Development 5 887 349 5 887 349 Vision: A caring and self-reliant society 731 844 731 844 1. Administration of which 94 Transfers to Departmental Agencies and Accounts 94 2. Social Welfare Services 945 239 945 239 811 572 811 572 Transfers to Non-Profit Institutions National conditional grants Social Sector Expanded Public Works Programme 21 157 Incentive Grant for Provinces 21 157 3. Children and Families 2 597 456 2 597 456 of which 1 096 219 Transfers to Non-Profit Institutions 1 096 219 National conditional grants 212 992 Early Childhood Development 212 992 719 581 719 581 4. Restorative Services of which 445 076 Transfers to Non-Profit Institutions 445 076 893 229 893 229 5. Development and Research of which 218 285 218 285 Transfers to Non-Profit Institutions 7. Cooperative Governance and Traditional **Affairs** 611 972 611 972 Vision: Lead provincial department in the coordination, collaboration, and facilitation of cooperative governance in building a globally competitive and people-driven Gauteng City-Region. 176 982 176 982 1. Administration 266 192 266 192 2. Local Governance 152 017 3. Development and Planning 152 017 of which

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SCHEDULE

(As a charge to the Provincial Revenue Fund)	10/3/2021	
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	20	Details	of appropriated	amount		D.A	JE SI	CHAPURE	
Vote	Current Payments					7			Specified transfer
R thousand	Adjusted Appropriation	Compensation of Employees	Goods and Services	Other	Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Final Adjusted Appropriation	payments and amounts specifically and exclusively appropriated
National conditional grants Expanded Public Works Programme Integrated									
Grant	2 000								2 000
Transfers to Municipalities	26 300								26 300
4. Traditional Institutional Development	16 781							16 781	
8. Human Settlements	5 377 907				100 000			5 477 907	
Vision: To provide integrated sustainable human settlements and improved quality of household life									
1. Administration	590 644							590 644	
2. Housing Needs, Research and Planning	20 057				400.000			20 057	
3. Housing Development	4 578 800				100 000			4 678 800	
of which									
National conditional grants									
Housing Disaster Relief									
Human Settlements Development Grant Expanded Public Works Programme Integrated Grant	4 244 413 10 184								4 344 413 10 184
4. Housing Assets and Property Management	188 406							188 406	,,,,,,
of which									
Human Settlements Development Grant									
Title Deeds Restoration Grant	112 623								112 623
9. Roads and Transport	8 377 996							8 377 996	
Vision: A modern integrated, efficient and sustainable transport and road infrastructure system in Gauteng									
1. Administration	327 033							327 033	
2. Transport Infrastructure	2 190 519							2 190 519	
of which									
National conditional grants									
Provincial Roads Maintenance	677 663								677 663
Expanded Public Works Programme Integrated Grant	9 970								9 970
Transfers to Provinces and Municipalities	2 800								2 800
Transport Operations	2 854 953							2 854 953	2 000
of which									
National conditional grants									
Public Transport Operations	2 599 291								2 599 291
Transfers to public corporations and private enterprise	2 750 895								2 750 895
4. Transport Regulation	324 733							324 733	
5. Gautrain Rapid Rail Link	2 680 758							2 680 758	
of which									
Transfers to Departmental Agencies and Accounts									
Gautrain Management Agency									2 680 758
10. Community Safety	899 448							899 448	
Vision: To realise Gauteng as a province where people feel and are safe.									
1. Administration	147 869							147 869	
of which									
Transfers to Provinces and Municipalities 2. Provincial Secretariat for Police Service	229 303							229 303	
of which									
National conditional grants Social Sector Expanded Public Works Programme Incentive Grant for Provinces									
Transfers to Provinces and Municipalities									

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GAUTENG

SCHEDULE

(As a charge to the Provincial Revenue Fund)

10/3/2021

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Vote	Current Payments								Specified transfer
R thousand	Adjusted Appropriation	Compensation of Employees	Goods and Services	Other	Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Final Adjusted Appropriation	payments and amounts specifically and exclusively appropriated
Traffic Management	522 276							522 276	
of which Transfers to Provinces and Municipalities Transfers to public corporations and private enterprise	170								170
11. Agriculture and Rural Development	994 713							994 713	
Vision: An economically transformed agricultural sector including agro-processing and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng.									
1. Administration	250 991							250 991	
of which									
Transfers to Departmental Agencies and Accounts 2. Agriculture and Rural Development	1 423 424 624							424 624	1 423
of which									
National conditional grants	4 700								4.700
Land Care	4 730								4 730
Ilima/Letsema Projects	25 403								25 403
Comprehensive Agricultural Support Programme	100 139								100 139 6 465
Transfers to Higher Education Institutions	6 465								0 400
Transfers to Departmental Agencies and Accounts 3. Environmental Affairs	319 098							319 098	
of which Expanded Public Works Programme Integrated									0.074
Grant	2 271								2 271
Sport, Arts, Culture and Recreation     Vision: An active, creative and modernised Gauteng     City Region contributing to sustainable economic growth and social cohesion.	877 512							877 512	
Administration	160 609							160 609	
2. Cultural Affairs	222 856							222 856	
of which									
National conditional grants Expanded Public Works Programme Integrated Grant	2 000								2 000
Transfers to Provinces and Municipalities	2 654								2 654 38 469
Transfers to Departmental Agencies and Accounts  Transfers to Non Profit Institutions	38 469 27 450								27 450
Library and Archives Services     of which	265 133							265 133	27 430
National conditional grants									
Community Library Services	130 539								130 539
Transfers to Provinces and Municipalities	165 800								165 800
Transfers to Non Profit Institutions	2 000								2 000
4. Sport and Recreation	228 914							228 914	
of which									
National conditional grants									
Mass Sport and Recreation Participation Programme	40 061								40 061
Transfers to Non Profit Institutions	74 017						<u></u>		74 017
13. E-Government Vision: A connected Gauteng City-Region leverages	1 386 437							1 386 437	
technology to provide quality services to citizens.  1. Administration	239 056							239 056	
Information Communication Technology(Ict)     Shared Services	1 023 010							1 023 010	

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21 163

143 749 056

100 000

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		will a community	SCHEDULE		460	10/	3/2021	4	
			o the Provincial		ınd)	5 111111	DATE	SIGNATURE	
		Details	of appropriated	amount		- NAD			Specified
Vote		Curr	Current Payments				Capital Financial		transfer payments
R thousand	Adjusted Appropriation	Compensation of Employees	and for Capit Goods and Other Subsidies Assets	Payments for Capital Assets	for Adjuste	Final Adjusted Appropriation		and amounts specifically and exclusively appropriated	
of which									
Transfers to Higher Education Institutions 3. Human Resources Services	22 800 124 371							124 371	22 800
14. Gauteng Provincial Treasury	677 458							677 458	
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 valure-formoney services of the highest quality.	317 400								
1. Administration	153 610							153 610	
2. Sustainable Fiscal Resource Management	152 821							152 821	
of which									
Departmental agencies and accounts									
Gauteng Infrastructure Financing Agency	61 406								61 406
3. Financial Governance	125 397							125 397	
4. Supply Chain Management	99 227							99 227	
of which									
Transfers to Non Profit Institutions									
5. Municipal Financial Governance	46 506							46 506	
Gauteng Audit Services	99 897							99 897	
15. Infrastructure Development	3 197 771							3 197 771	
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.									
1. Administration	403 687							403 687	
2. Public Works Infrastructure	2 621 576							2 621 576	
of which									
Transfers to Municipalities									
Devolution of rates and taxes 3. Expanded Public Works Programme	1 082 931 172 508							172 508	1 082 931
o. Expanded Fubilit Vivolno Flograniane	172 506							112 000	

Expanded Public Works Programme Integrated Grant

TOTAL FOR THE PROVINCE

21 163

143 649 056



# EXPLANATORY MEMORANDUM ON OBJECTS OF THE GAUTENG PROVINCIAL THIRD ADJUSTMENTS APPROPRIATION BILL, 2021

#### 1. POLICY UNDERLYING THE BILL

Section 31(1) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), provides that the Member of Executive Committee for finance in a province may table an adjustments budget in the provincial legislature. It is on the basis of this legislative framework that approval to amend the Gauteng Provincial Adjustments Appropriation, 2020/21, as tabled on 19 November 2020, is requested.

The Gauteng Provincial Treasury tabled an adjusted appropriation on the 19 November 2020 amounting to R143.649 billion. Subsequent to this adjusted appropriation, the National Department of Human Settlements, in consultation with the National Treasury and affected provincial departments, increased conditional grants to the Gauteng Province by R100 million. The conditional grant for which the allocation to the Gauteng Province was increased, is the Human Settlements Development Grant. As a result, the budget for the Gauteng Province increases by R100 million in the third (final) adjustments budget from R143.649 billion to R143.749 billion.

#### 1.1 Amendments to 2020/21 Adjusted Budget Appropriation

The total adjustments to the adjusted budget for 2020/21 appropriation are discussed below.

#### 1.1.1 Gauteng Department of Human Settlements

The 2020/21 adjusted budget of the Gauteng Department of Human Settlements increases by R100 million from R5.378 billion to R5.478 billion. The National Department of Human Settlements increased the Human Settlements Development Conditional Grant to the Gauteng Province by R100 million. The Gauteng Provincial Treasury is subsequently required to table a third (final) adjustments budget at the Gauteng Provincial Legislature using the National Treasury's *Gazette* as a basis to increase the budget in compliance with legislation (the Division of Revenue Act, 2020). The Gauteng Provincial Government benefitted R100 million from the funds that were taken by National Treasury from other provinces.



#### 1.2 2020/21 Adjusted Budget Allocations

Table 1 below presents amendments to the Gauteng Provincial Government departments' appropriations as well as the final adjusted appropriation for the 2020/21 financial year.

**Table 1: Revised Allocations** 

Vote R thousand	Adjusted Appropriation	Adjustments	Final Adjusted Appropriation	
Kulousand	R'000	R'000	R'000	
Office of the Premier	886 038		886 038	
Gauteng Provincial Legislature	817 763		817 763	
3. Economic Development	1 944 592		1 944 592	
4. Health	58 835 503		58 835 503	
5. Education	52 876 598		52 876 598	
Social Development	5 887 349		5 887 349	
7. Cooperative Governance and Traditional Affairs	611 972		611 972	
8. Human Settlements	5 377 907	100 000	5 477 907	
Roads and Transport	8 377 996		8 377 996	
10. Community Safety	899 448		899 448	
11. Agriculture and Rural Development	994 713		994 713	
12. Sport, Arts, Culture and Recreation	877 512		877 512	
13. E-Government	1 386 437		1 386 437	
14. Gauteng Provincial Treasury	677 458		677 458	
15. Infrastructure Development	3 197 771		3 197 771	
TOTAL FOR THE PROVINCE	143 649 056	100 000	143 749 056	

#### 2. SOCIAL IMPACT

None.

#### 3. FINANCIAL IMPLICATIONS

The third (Final) adjustment to the 2020/21 appropriation increases the total provincial revenue and expenditure by an amount of R100 million due to the increase in the allocation of the Gauteng Department of Human Settlements.

#### 4. ENVIRONMENTAL IMPACT

No negative impact



#### 5. IMPLICATIONS OF BILL FOR LOCAL GOVERNMENT

None.

#### 6. PUBLIC PARTICIPATION IN DEVELOPMENT OF BILL

None.

#### 7. CLAUSE BY CLAUSE DESCRIPTION

Clause 1 of the Bill contains definitions of important expressions, words, phrases and processes.

Clause 2 of the Bill contains details about the adjusted appropriations for use by the Gauteng Province for the financial year ending 31 March 2021.

Clause 3 of the Bill deals with amounts that are listed as specifically and exclusively appropriated.

Clause 4 of the Bill is the short title of the Bill.

The Schedule to the Bill contains the details of adjusted appropriation by vote as explained in paragraph 1 above.

#### 8. OTHER DEPARTMENTS OR BODIES CONSULTED

The Gauteng Provincial Treasury consulted the relevant department regarding the adjustments relating to their respective budget appropriation.