

PROVINCE OF THE EASTERN CAPE

EASTERN CAPE PROVINCIAL TREASURY

**SECOND ADJUSTMENTS APPROPRIATION BILL, 2023
(EASTERN CAPE)**

(As Introduced)

(BY THE MEMBER OF THE EXECUTIVE COUNCIL RESPONSIBLE FOR FINANCE)

BILL

To provide for the adjustment of money to the Provincial Revenue Fund for the requirements of the Province of the Eastern Cape; to appropriate additional funding for the requirements of the Provincial Legislature and Department of Human Settlements; to effect adjustments to the appropriation of money from the Provincial Revenue Fund in respect of the 2022/23 financial year; and to provide for matters incidental thereto.

BE IT THEREFORE ENACTED by the Legislature of the Province of the Eastern Cape, as follows:—

Adjustment of amount of money to the Provincial Revenue Fund for the requirements of the Province of the Eastern Cape.

1. (1) Subject to the provisions of the Public Finance Management Act, 1999 (Act No.1 of 1999) there is hereby adjusted an amount of R30 287 000 (thirty million two hundred and eighty-seven thousand rands) declared as savings by the Department of Economic Development, Environmental Affairs and Tourism, and such declared savings is surrendered back to the Provincial Revenue Fund;
- (2) The adjustments to appropriation in votes and the main divisions within a vote and amendments to the purposes that are specified are set out in Schedules to this Act.

Appropriation of an additional funding for the requirements of the Provincial Legislature and Department of Human Settlements.

- (1) Subject to the provisions of the Public Finance Management Act, 1999 (Act No. 1 of 1999), there is hereby appropriated an adjusted amount of—
 - (a) R13 000 000 (thirteen million rand) allocated for the requirements of the Provincial Legislature;
 - (b) R84 108 000 (eighty-four million one hundred and eight thousand rands) allocated for the requirements of the Department of Human Settlements;
- (2) The spending of the appropriation contemplated in subsection (1) is subject to the provisions of the Public Finance Management, 1999 (Act No.1 of 1999) and the Division of Revenue Act, 2022 (Act No. 5 of 2022);

Adjustment of amount of money from the Provincial Revenue Fund

2. (1) Subject to the provisions of the Public Finance Management Act, 1999 (Act No. 1 of 1999), there is hereby adjusted appropriated amounts of:
- (a) R7 475 000 (seven million four hundred and seventy-five thousand rands) from the Department of Health;
 - (b) R100 000 000 (one hundred million rands) from the Department of Education;
- in respect to the financial year ending 31 March 2023.
- (2) The adjustment budget changes the main appropriation per vote as set out in Schedules.

Adjustment of appropriated amounts of money earmarked for specific purposes

3. (1) R1 613 000 (one million six hundred and thirteen thousand rands) is made available to the validated ex-members of the Provincial House of Traditional Leaders for ex gratia payments by the Department of Co-operative Governance and Traditional Affairs.
- (2) An amount of R12 231 000 (twelve million two hundred and thirty-one thousand rands) is moved by the Department of Rural Development and Agrarian Reform from Goods and Services; Buildings and other fixed structures; Machinery and Equipment to Transfers and Subsidies under the Departmental Agencies and Accounts to provide financial support to distressed Citrus and Macadamia nuts farmers.
- (3) An amount of R50 000 000 (fifty million rands) is moved by the Office of the Premier from Compensation of employees; Goods and Services and Households (leave gratuities) to Transfers and subsidies under Households (other) to support students for outstanding fees in the four Provincial Universities.

Short title

4. This Act is called the Eastern Cape Second Adjustments Appropriation Act, 2023.

SECOND ADJUSTMENTS APPROPRIATION BILL, 2023 (EASTERN CAPE)**SCHEDULE A PER DEPARTMENT**

VOTE	DEPARTMENT	AMOUNT R'000
1	Office of the Premier	-
2	Provincial Legislature	13 000
3	Health	(7 475)
4	Social Development	-
5	Public Works and Infrastructure	-
6	Education	(100 000)
7	Cooperative Governance and Traditional Affairs	-
8	Rural Development and Agrarian Reform	-
9	Economic Development, Environmental Affairs and Tourism	(30 287)
10	Transport	-
11	Human Settlements	84 108
12	Provincial Treasury	-
14	Sport, Recreation, Arts and Culture	-
15	Community Safety	-
TOTAL		(40 654)

SCHEDULE B PER DEPARTMENT ADJUSTMENTS APPROPRIATION BILL 2023

Details of Vote		Details of adjustments appropriation 2022/23							
No.	Title	Total per Vote and Main Division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts Specifically and Exclusively Appropriated
			Compensation of Employees	Goods and Services	Other				
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
1	Office of the Premier	0	(18 946)	(27 376)		47 071	(749)	-	-
	Aim: Coordinating functions of the provincial administration through provision of strategic leadership.								
	1 . Administration	30 502	(8 742)	(7 078)	-	47 071	(749)	-	-
	Aim: To provide strategic leadership, management and support services to the Premier, Director-General and the department.								
	Of which								
	Compensation of Employees		(8 742)						
	Goods and Services			(7 078)					
	Households					47 071			
	Machinery and equipment						(749)		
	2 . Planning, Policy Co-ordination, Monitoring and Evaluation	(10 691)	(5 386)	(5 305)	-	-	-	-	-
	Aim: To set the provincial administration's programme of action, and lead evidence-based decisionmaking for integrated policy formulation, planning, monitoring, reporting, evaluation and review of government programmes, including intergovernmental, stakeholder', international relations management and transformation programmes.								
	Of which								
	Compensation of Employees		(5 386)						
	Goods and Services			(5 305)					
	Provinces and municipalities								
	Departmental agencies and accounts								
	Software and other intangible assets								
	3. Institutional Development and Organisational Support	(19 811)	(4 818)	(14 993)	-	-	-	-	-
	Aim: To manage the administration of the public service system and promoting accountable governance by providing institutional development and organisational support services to ensure that the Provincial Government has sufficient skills capacity to effectively and efficiently deliver on its mandate and render reliable legal services and a comprehensive communication service on behalf of government.								
	Of which								
	Compensation of Employees		(4 818)						
	Goods and Services			(14 993)					
	Households								
	Machinery and equipment								
	* Specifically and Exclusively Appropriated								

Details of Vote		Details of adjustments appropriation 2022/23							
2	Provincial Legislature	13 000	13 000	-	-	-	-	-	-
<i>Aim:</i>	<i>To exercise oversight that will ensure responsiveness and accountability of the government to the people of the Province; to initiate, pass and monitor implementation of laws that uphold citizens' rights; to ensure meaningful public involvement, education and advocacy; to ensure that vulnerable groups are integrated in all programs of the Legislature; and to foster relations with local and international institutions supporting democracy.</i>								
	1. Administration	2 000	2 000	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide political and administrative leadership to the Legislature to strengthen provincial, national and international relations.</i>								
	<i>Of which</i>								
	Compensation of Employees		2 000						
	Goods and Services			-					
	Machinery and equipment						-		
	Software and other intangible assets						-		
	2. Facilities for Members and Political Parties	8 400	8 400	-	-	-	-	-	-
<i>Aim:</i>	<i>To render administrative support services to political office-bearers and Members of the Provincial Legislature with regard to facilities and benefits.</i>								
	<i>Of which</i>								
	Compensation of Employees		8 400						
	Goods and Services								
	Non-profit Institutions								
	3. Parliamentary Services	2 600	2 600	-	-	-	-	-	-
<i>Aim:</i>	<i>To strengthen strategic management for the division's effectiveness, improve management, access and sharing of information, improve parliamentary support for an effective oversight function of the Legislature; and improve parliamentary support for effective public education.</i>								
	<i>Of which</i>								
	Compensation of Employees		2 600						
	Goods and Services			-					
	4. Direct Charge	-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>Remuneration of the public office bearers</i>								
	<i>Of which</i>								
	Compensation of Employees		-						
	Goods and Services								
	Households								
	* Specifically and Exclusively Appropriated								

Details of Vote		Details of adjustments appropriation 2022/23							
3 Health		(7 475)	(7 475)	-	-	-	-	-	(7 475)
<i>Aim:</i>	To attain universal health coverage(UHS) for the people of the Eastern Cape province, through Primary Health Care (PHC) approach utilising resources efficiently, to enable present and future generations achieve optimal health outcomes and quality.								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	To conduct the strategic management and overall administration of the department.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Households								
	Machinery and equipment								
2. District Health Services		(7 475)	(7 475)	-	-	-	-	-	(7 475)
<i>Aim:</i>	To render Primary Health Care Services and District Hospital Services.								
	Of which								
	Compensation of Employees		(7 475)						
	Goods and Services								
	Non Profit Institutions								
	Households								
	Machinery and equipment								
	Conditional grants								(7 475)
	* National Health Insurance Grant								(7 475)
3. Emergency Medical Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	To provide for the rendering of pre-hospital emergency medical services including inter-hospital transfers and planned patient transport.								
	Of which								
	Compensation of Employees								
4. Provincial Hospital Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	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.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Households								
5. Central Hospital Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	To provide tertiary health services and create a platform for the training of health workers.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Households								
	Buildings and other fixed structure								
	Machinery and equipment								
	Conditional grants								-
	* National Tertiary Services grant								-

Details of Vote		Details of adjustments appropriation 2022/23							
6. Health Sciences and Training		-	-	-	-	-	-	-	-
Aim:	Rendering of training and development opportunities for actual and potential employees of the department.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Departmental agencies and accounts								
	Households								
	Machinery and equipment								
7. Health Care Support Services		-	-	-	-	-	-	-	-
Aim:	To render support services required by the department to realise its objectives.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								
8. Health Facilities Management		-	-	-	-	-	-	-	-
Aim:	To provide new health facilities, upgrades and maintains existing facilities.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Buildings and other fixed structures								
	Machinery and Equipment								
	Conditional grants								-
	* Health Facility Revitalisation Grant								
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
4 Social Development		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To transform our society by building conscious and capable citizens through the provision of integrated social development services with families at the core of social change.</i>								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide strategic management and support services at all levels of the department.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Buildings and other fixed structures								
	Machinery and Equipment								
	Software and other intangible assets								
2. Social Welfare Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organisations.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
	Machinery and Equipment								
3. Children and Families		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Non-profit Institutions								
4. Restorative Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Non-profit Institutions								
	Buildings and other fixed structures								
	Machinery and equipment								
5. Development and Research		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide sustainable development programmes which facilitate empowerment of communities based on empirical research and demographic information.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
	Machinery and Equipment								
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
5	Public Works and Infrastructure	-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To be a custodian of provincial government immovable assets and a co-ordinator and provider of sustainable infrastructure resulting in socio-economic transformation and development.</i>								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide 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.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								
2. Public Works Infrastructure		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide a balanced and equitable provincial government building infrastructure by promoting accessibility that is sustainable, integrated and environmentally sensitive, which supports economic development and social empowerment.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Provinces and Municipalities								
	Buildings and other fixed structures								
3: Expanded Public Works Programme		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Buildings and other fixed structures								
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
6 Education		(100 000)	-	(74 620)	-	-	(25 380)	-	(100 000)
<i>Aim:</i>	To implement appropriate and relevant educational programmes through quality teaching and learning, and at the same time mobilizing community and stakeholder support through participation and to institutionalize a culture of accountability at all levels of the department.								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	To provide overall management of the education system in accordance with the National Education Policy Act and other policies/legislation								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								
	Conditional grants								-
	* Maths, Science and Technology Grant								-
2. Public Ordinary School Education		-	-	-	-	-	-	-	-
<i>Aim:</i>	To Provide public ordinary schools from grades 1 to 12, in accordance with South African Schools Act and White Paper 6 on Inclusive Education.								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Non-profit institutions								
3. Independent School Subsidies		-	-	-	-	-	-	-	-
<i>Aim:</i>	To Support independent schools in accordance with the South African Schools Act								
	<i>Of which</i>								
4. Public Special School Education		-	-	-	-	-	-	-	-
<i>Aim:</i>	To provide compulsory public education in special schools in accordance with the South Africans Schools Act and White Paper 6 on inclusive education, including e-learning and inclusive education.								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Conditional grants								-
	* Learners with Profound Intellectual Disabilities								-
5. Early Childhood Development		-	-	-	-	-	-	-	-
<i>Aim:</i>	To provide Early Childhood Development at grade R and pre-grade R levels in accordance with White Paper 5 .								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Non-profit institutions								
	Conditional grants								-
	* Early Childhood Development								-
6. Infrastructure Development		(100 000)	-	(74 620)	-	-	(25 380)	-	(100 000)
<i>Aim:</i>	To provide and maintain infrastructure facilities for schools and non-schools								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services			(74 620)					
	* For Disaster								
	Buildings and other fixed structures						(25 380)		
	Machinery and Equipment								
	Conditional grants								(100 000)
	* Education Infrastructure								(100 000)
7. Examination and Education Related Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	To provide education institutions with examination related services.								
	<i>Of which</i>								
	Goods and Services								
	Non-profit institutions								
	Machinery and Equipment								
	Conditional grants								-
	* HIV and Aids (Life Skills Education) Grant								-
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
7	Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To co-ordinate support through government spheres and partnerships to municipalities and institutions of traditional leadership to fulfil their developmental mandates, for a better quality of life for all communities.</i>								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To give effective strategic leadership and proficient administration support services to the Department of Co-operative Governance and Traditional Affairs.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
	Machinery and equipment								
2. Local Governance		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To ensure the transformation of developmental local government by strengthening municipal institutions that will be responsive to the needs of the communities.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
3. Development and Planning		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To render support services regarding integrated planning development in municipalities.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								
4. Traditional Institutional Management		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To support and capacitate institutions of traditional leadership to effectively perform their statutory and customary obligations.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
5. House of Traditional Leaders		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To ensure effective and efficient functioning of the Eastern Cape House of Traditional Leaders.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
8	Rural Development and Agrarian Reform	-	-	(104)	-	12 231	(12 127)	-	-
<i>Aim:</i>	<i>To improve agricultural production to stimulate economic development, food security and integrated rural development through integrated rural development; agrarian reform; sustainable livelihoods, support land reform for agricultural production; facilitating partnerships to commercialise and transformation of the agricultural sector; innovation, research, technology, development to increase productivity and competitiveness; and access to opportunities for youth, women and other vulnerable groups.</i>								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To manage and formulate policy directives and priorities to ensure there is appropriate support services to all programmes with regard to finance, personnel, information, communication and procurement.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								
2. Sustainable Resource Use and Management		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								
	Buildings and other fixed structures								
3. Agricultural Producer Support and Development		-	-	(104)	-	12 231	(12 127)	-	-
<i>Aim:</i>	<i>To provide support to farmers through agricultural development programmes.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services			(104)		12 231	(10 381)		
	Departmental agencies and accounts						(1 746)		
	Buildings and other fixed structures								
	Machinery and equipment								
	Biological assets								
4. Veterinary Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide veterinary services to clients in order to ensure healthy animals, safe animal products and the welfare of people of South Africa.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								
5. Research and Technology Development Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To render expert and needs based research, development and technology transfer services impacting on development objectives.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Buildings and other fixed structures								
	Machinery and equipment								
	Biological assets								
6. Agricultural Economics Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agri-business development to increase economic growth.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Machinery and equipment								

Details of Vote		Details of adjustments appropriation 2022/23							
7. Structured Agricultural Education and Training		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To facilitate and provide structured agricultural education and training in line with the Agricultural Education and Training Strategy to all participants in the agricultural sector in order to establish a knowledgeable, prosperous and competitive sector.</i>								
<i>Of which</i>									
Compensation of Employees									
Goods and Services									
Buildings and other fixed structures									
Machinery and equipment									
8. Rural Development		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To coordinate the development programmes by stakeholders in rural areas.</i>								
<i>Of which</i>									
Compensation of Employees									
Goods and Services									
Buildings and other fixed structures									
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
9	Economic Development, Environmental Affairs and Tourism	(30 287)	(16 000)	-	-	(14 287)	-	-	-
<i>Aim:</i>	<i>To be a provincial catalyst for sustainable inclusive economic growth and development through promotion, financing, empowerment and technical support of development activities.</i>								
	1. Administration	(2 953)	(2 953)	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide leadership, strategic management, direction, financial and human capital management in accordance with legislation, regulations and policies of the department and its public entities.</i>								
	<i>Of which</i>								
	Compensation of Employees		(2 953)						
	Goods and Services								
	Households								
	Machinery and equipment								
	2. Economic Development and Tourism	(27 334)	(13 047)	-	-	(14 287)	-	-	-
<i>Aim:</i>	<i>To promote and administer sustainable economic development and job creation.</i>								
	<i>Of which</i>								
	Compensation of Employees		(13 047)						
	Goods and Services								
	Provinces and municipalities					(800)			
	Public corporations and private enterprises					(13 487)			
	Buildings and other fixed structures								
	3. Environmental Affairs	-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To administer environmental policies that are cascaded from national level in with the mandate of the department. It regulates environmental management through instruments such as the environmental impact assessments, compliance and enforcement, air quality, waste and biodiversity management tools.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Departmental Agencies and Accounts								
	* Specifically and Exclusively Appropriated								

Details of Vote		Details of adjustments appropriation 2022/23							
10 Transport		-	-	-	-	-	-	-	-
Aim:	To provide, facilitate, develop, regulate, and enhance safe, affordable and reliable multi-modal transport system, which is integrated with land uses to ensure improving levels of accessibility and optimal mobility of people and goods in support of socio-economic growth and development in the province of the Eastern Cape.								
1. Administration		-	-	-	-	-	-	-	-
Aim:	To provide the department with the overall management, 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.								
Of which									
Compensation of Employees									
Goods and Services									
Households									
Machinery and Equipment									
Software and other intangible assets									
2. Transport Infrastructure		-	-	-	-	-	-	-	-
Aim:	To plan for the provision of transport services, facilities and infrastructure, including the provision of support and co-ordination of the Integrated Transport Planning at the local sphere.								
Of which									
Compensation of Employees									
Goods and Services									
Provinces and Municipalities									
Households									
Buildings and other fixed structures									
Machinery and Equipment									
Software and other intangible assets									
Conditional grants									-
* Provincial Roads Maintenance									-
3. Transport Operations		-	-	-	-	-	-	-	-
Aim:	To plan, regulate and facilitate the provision of public transport services and infrastructure through own provincial resources and through cooperation with local authorities, as well as the private sector in order to enhance the mobility of all communities.								
Of which									
Compensation of Employees									
Goods and Services									
Departmental Agencies and Accounts									
Households									
Buildings and other fixed structures									
4. Transport Regulation		-	-	-	-	-	-	-	-
Aim:	To ensure adequate road safety engineering on provincial roads and ensure that all vehicles registered in the province are licensed each year and that all drivers are appropriately authorised to drive their vehicles while also promoting road safety awareness.								
Of which									
Compensation of employees									
Goods and Services									
Households									
Buildings and other fixed structures									
5. Community Based Programmes		-	-	-	-	-	-	-	-
Aim:	To ensure delivery of accessible services through integrated, socially just, developmental and empowering processes in order to improve the quality of life of communities within the province by way of community development programmes.								
Of which									
Compensation of employees									
Goods and Services									
Provinces and Municipalities									
Departmental Agencies and Accounts									
Households									
Buildings and other fixed structures									
Conditional grants									-
* Provincial Roads Maintenance									-
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
11	Human Settlements	84 108	-	-	-	84 108	-	-	84 108
Aim:	To provide quality, integrated and sustainable human settlement that offer our communities a better living environment.								
1. Administration		-	-	-	-	-	-	-	-
Aim:	To provide overall management in the department in accordance with all applicable acts and policies.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Machinery and Equipment								
2. Housing Needs, Research and Planning		-	-	-	-	-	-	-	-
Aim:	To facilitate and undertake housing delivery planning.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Households								
3. Housing Development		92 650	-	-	-	92 650	-	-	-
Aim:	To provide individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Households					92 650			
Conditional grants									-
* Human Settlement Development Grant									-
4. Housing Asset Management		(8 542)	-	-	-	(8 542)	-	-	84 108
Aim:	To provide for the effective management of housing.								
	Of which								
	Compensation of Employees								
	Goods and Services								
	Households					(8 542)			
Conditional grants									84 108
* Provincial Emergency Grant									84 108
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
12 Provincial Treasury		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide strategic and technical leadership in the allocation, management and utilisation of financial resources for socio-economic development in the province.</i>								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide leadership and strategic management and appropriate support services to all other programmes.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Departmental agencies and accounts								
	Households								
	Machinery and equipment								
2. Sustainable Resource Management		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To ensure allocative efficacy through budget preparations, infrastructure budgeting, expenditure monitoring economic analysis and fiscal policy to all provincial departments, public entities and management of financial assets and liabilities.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
3. Asset & Liabilities Management		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide policy direction, promote and enforce transparency and effectiveness of supply chain management and asset management in the province.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
4. Financial Governance		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To promote accountability through comprehensive accounting practices, financial information systems, governance as well as compliance with financial norms and standards in PFMA compliant institutions and financial systems management.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
5. Municipal Financial Governance		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provides support to the achievement of sound and sustainable financial management at municipal level through the provision of technical support and capacity building in the following areas: budgeting accounting practices supply chain management asset management, governance, as well as MFMA compliance.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
14 Sports, Recreation, Arts and Culture		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To develop, preserve and promote sport, recreation, arts, culture and heritage for spiritual, intellectual, and socio-economic upliftment of the people of the Eastern Cape.</i>								
1. Administration		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To conduct the overall management and administrative support of the department.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and services								
	Departmental agencies and accounts								
	Households								
	Buildings and other fixed structures								
	Machinery and equipment								
2. Cultural Affairs		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To promote culture, conserve and manage the cultural, historical assets and resources of the province by rendering various services.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Provinces and municipalities								
	Departmental agencies and accounts								
	Non-profit Institutions								
3. Libraries and Archives Services		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To assist local library authorities in rendering of public library services and providing of an archive services in the province.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Non-profit Institutions								
	Buildings and other fixed structures								
	Conditional grants								-
	* Community Libraries Services Grant								
4. Sport and Recreation		-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide assistance to provincial sport associations and other relevant bodies to stimulate the development of sport. Formulate inputs regarding sport policy and promote sport programmes. Stimulate and present capacity building programmes. Control, promote and develop provincial sport academy. Develop and contribute towards sport marketing strategies. Facilitate development of facilities with a view to improving life of disadvantaged. Promote and develop sport tourism through major events.</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Departmental agencies and accounts								
	Non-profit Institutions								
	Households								
	Buildings and other fixed structures								
	Conditional grants								-
	* Mass Participation and Sport Development Grant								
* Specifically and Exclusively Appropriated									

Details of Vote		Details of adjustments appropriation 2022/23							
15	Community Safety	-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To build safer communities through civilian oversight over the police services and to forge partnerships.</i>								
	1. Administration	-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To provide strategic direction and support, administrative, financial, executive and legal support, and human resource services.</i>							-	-
	<i>Of which</i>								
	Compensation of Employees								
	Goods and services								
	Households								
	Machinery and equipment								
	2. Provincial Secretariat for Police Services	-	-	-	-	-	-	-	-
<i>Aim:</i>	<i>To exercise oversight function with regards to SAPS and/or metro police in the province</i>								
	<i>Of which</i>								
	Compensation of Employees								
	Goods and Services								
	Households								
	Machinery and equipment								
	* Specifically and Exclusively Appropriated								
	Total for all Votes	(40 654)	(29 421)	(102 100)	-	129 123	(38 256)	-	(23 367)

**EXPLANATORY MEMORANDUM ON
SECOND ADJUSTMENTS APPROPRIATION BILL, 2023 (EASTERN CAPE)**

**PART A
(Principles)**

- 1) Section 27(2) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) empowers the Member of the Executive Council for Finance in a Province to table the provincial annual budget for a financial year in the Provincial Legislature to appropriate moneys in the Revenue Fund as a charge against the Revenue Account for the requirements of the Province.
- 2) Section 31(1) of the Act provides for the Member of the Executive Council for Finance in a province to table an adjustments budget in the Provincial Legislature, subject to subsection (3).
- 3) Section 31(2) of the Act then provides for an adjustments budget of a province to provide for-
 - a) the appropriation of funds that have become available to the province;
 - b) unforeseeable and unavoidable expenditure recommended by the provincial Executive Council of the province within a framework determined by the Minister;
 - c) any expenditure for emergency situations in terms of section 25 of the Act;
 - d) money to be appropriated for expenditure already announced by the MEC for Finance during the tabling of the annual budget;
 - e) the shifting of funds between and within votes or to follow the transfer of functions in terms of section 42 of the Act;
 - f) the utilization of savings under a main division within a vote for the defrayment of excess expenditure under another main division within the same vote in terms of section 43 of the Act; and
 - g) the roll-over of unspent funds from the preceding financial year.
- 4) The reasons for introducing the Bill is to provide for:
 - a) an adjustment of funds that have become available to the province as a result of:
 - i) an amount of R30 287 000 (thirty million two hundred and eighty-seven thousand rands) declared as savings by the Department of Economic Development,

Environmental Affairs and Tourism from compensation of employee and delayed projects;

- ii) an additional amount of R84,108 000 (eighty-four million one hundred and eight thousand rands) that has become available to the province as a result of an amount that was allocated to the Eastern Cape Province for the Provincial Housing Emergency Grant for the Department of Human Settlements. The funding is for the provision of temporary shelter assistance to household affected by disasters or a housing emergency; to repair the damage to housing for a low-income households following a disaster or housing emergency if the cost of repairs is less than the cost of relocation and provision of temporary shelter. In compliance with Section 25 of the Division of Revenue Act 5 of 2022 National Department of Human Settlements allocates to the Eastern Cape from the unallocated Provincial Emergency Housing Grant (Schedule 7, Part A) and was published in Government Gazette No. 48095 dated 17 February 2023.

- b) additional allocation of R13 000 000 (thirteen million rands) from the Provincial Revenue Fund to the Eastern Cape Provincial Legislature for the purpose of augmenting the compensation of employees due to the 2022/23 Sector Collective Agreement cost of living adjustment of 4.5 per cent and once off non-pensionable cash payment of twenty-five thousand rand.

- c) an adjustment of funds in the province as a result of an amount of:
 - i) R7 475 000 (seven million four hundred and seventy-five thousand rands) that was stopped by the Minister of Finance from the Eastern Cape Provincial Department of Health for the National Health Insurance Grant as a result of revisions in the allocations by the National Department of Health reallocating to KwaZulu-Natal, Mpumalanga and Gauteng Department of Healthy. The stopping and reallocation complies with Section 18 and Section 19 of the Division of Revenue Act 5 of 2022 and was published in Government Gazette No. 47789 dated 23 December 2022.

 - ii) R100 000 000 (one hundred million rands) for the Education Infrastructure Grant being stopped by the National Department of Basic Education. These funds have been reallocated to the Provincial departments of Education in Gauteng and Western Cape. The stopping and reallocation complies with Section 18 and Section 19 of the Division of Revenue Act 5 of 2022 and was published in Government Gazette No. 48095 dated 17 February 2023.

- d) an adjusted amount of R1 613 000 (one million six hundred and thirteen thousand rands) was allocated during 2022/23 Adjustment Estimates in Transfers and Subsidies under Households and approved by the Legislature is now made available to the validated ex-members of the Provincial Traditional House for ex gratia payments by Department of Corporate Governance and Traditional Affairs. The disclosure of this amount is made in line with the requirements of Treasury Regulations 22.1.2 in respect to the Payments of Grace. The full details with respect to the names of the affected Traditional Leaders will be made available in the Annual Report of the 2022/23 Financial Year.
- e) An amount of R12 231 000 (twelve million two hundred and thirty-one thousand rands) has been moved from goods and services; buildings and other fixed structures; machinery and equipment to transfers and subsidies under departmental agencies and accounts, to support distress Citrus and Macadamia nuts farmers who needed financial support from the Department of Rural Development and Agrarian Reform (DRDAR). The support of these farmers is funded from Comprehensive Agricultural Support Programme (CASP), and the National Department of Agriculture, Land Reform and Rural Development (DALRRD) granted approval to utilise the infrastructure budget to support distress farmers. The disclosure of this amount is for the purposes of transparency in line with the requirements of the Treasury Regulations 6.3 (b). These funds were allocated and approved by the Legislature during 2022/23 adjustment estimates.
- f) An amount of R50 000 000 (fifty million rands) is moved by the Office of the Premier. These funds have been realised as savings from Compensation of employees, Goods and Services and Households (leave gratuities) to Transfers and subsidies under Households (other), to support students for the outstanding fees in the four Provincial Universities. These funds will prioritise students who graduated since 2020 and cannot graduate and receive certificates due to historic debt. This assistance was announced during 2023 State of Provincial Address (SOPA).

PART B

(Clause by Clause Analysis)

- Clause 1 : provides for adjustments appropriation
- Clause 2 : sets out the short title to the Bill
- Schedule A : contains details of the charges against the Provincial Revenue Fund
- Schedule B : contains breakdown of the charges against the Provincial Revenue Fund