



GAUTENG PROVINCE

OFFICE OF THE PREMIER
REPUBLIC OF SOUTH AFRICA

Ms Ncumisa Mnyani
Head of Department
Gauteng Provincial Treasury
Imbumba House | 75 Fox Street
Marshalltown | Johannesburg
2001

08 March 2023

Dear Ms Mnyani

RE: CERTIFICATION OF THE GAUTENG PROVINCIAL APPROPRIATION BILL, 2023

1. The State Law Advisory Services was called upon to scrutinise and certify the abovementioned Bill on an urgent basis.
2. Attached herein kindly receive a copy of the said Bill, together with the Explanatory Memorandum of Objects on the Bill, as well as the Schedule to the Bill, as scrutinised and duly certified by the State Law Advisory Services.
3. The State Law Advisory Services classify the Bill as a money Bill contemplated in Rule 192(2) of the Standing Rules of the Gauteng Provincial Legislature, 2nd edition (2018), read with section 120 of the Constitution of the Republic of South Africa, 1996.
4. Kindly note that no changes may be made to the certified Bill, the Memorandum and the Schedule, without the prior approval of the State Law Advisory Services. Any unauthorised change will nullify the certification of the Bill, the Memorandum and the Schedule.
5. State Law Advisory Services do not certify the correctness of the amounts and dates reflected in the Bill, the Memorandum and the Schedule, as these are the responsibility of the Gauteng Provincial Treasury.
6. Please ensure that this certificate accompanies the Bill when the Bill is introduced by the MEC for Finance into the Gauteng Provincial Legislature.

Enquires may be directed to **Adv. Monwabisi Nguqu, Director: Co-ordinate Legislative Drafting** at Telephone number: (011) 355 6312 / 063 698 5430
Email address: Monwabisi.Nguqu@gauteng.gov.za

p.p.

Adv. Geert Kuit
Chief Director: State Law Advisory Services
Date:

GAUTENG PROVINCIAL LEGISLATURE

**GAUTENG PROVINCIAL
APPROPRIATION BILL, 2023**

(As introduced in the Provincial Legislature of the Province of Gauteng in terms of Rule 192(2) of the Rules of the legislature, 2nd ed (2018), read with section 119 of the Constitution of the Republic of South Africa, 1996)

(proposed 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 — 2023]



B I L L

To provide for the appropriation of money from the Gauteng Provincial Revenue Fund for the requirements of the Province of Gauteng in respect of the 2023/24 financial year ending 31 March 2024; and to provide for matters incidental thereto.

PREAMBLE

WHEREAS section 226(2) 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 Gauteng Provincial Legislature must appropriate money for the 2023/24 financial year for the requirements of the Gauteng Province,

BE IT THEREFORE ENACTED by the Gauteng 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;

"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 Gauteng Province

2. (1) Appropriations by the Gauteng Provincial Legislature of money from the Gauteng Provincial Revenue Fund for the requirements of the Gauteng Province in the 2023/24 financial year, to votes and main divisions within a vote, and for the specific listed purposes, is set out in the Schedule to this Act.

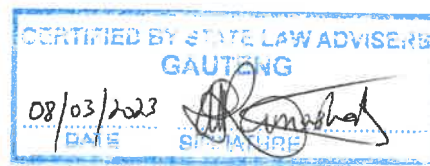
(2) The spending of appropriations referred to in subsection (1) is subject to the Public Finance Management Act, 1999 (Act No. 1 of 1999), and, to the extent that the Gauteng Provincial Legislature is concerned, the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act No. 10 of 2009).

Amounts listed as specifically and exclusively appropriated

3. An amount within a vote or main division within a vote that are listed as specifically and exclusively appropriated in the Schedule to this Act may only be utilised for the purpose indicated and may not be used for any other purpose, unless an Act of the Gauteng Provincial Legislature amends or changes the purpose for which it was allocated.

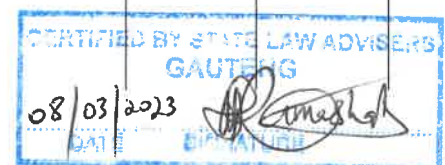
Short title

4. This Act is called the Gauteng Provincial Appropriation Act, 2023



SCHEDULE									
(As a charge to the Provincial Revenue Fund)									
Details of appropriated amount									
Vote	Total per vote and main division	Current Payments				Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts specifically and exclusively appropriated
		R'000	R'000	R'000	R'000				
1. Office of the Premier Vision: A liveable, equitable, inclusive and united Gauteng City Region (GCR).	886 081	395 835	303 701		174 926	11 619			
1. Administration The programme is responsible for the overall strategic management and support of the Premier and the Director General in fulfilling their statutory and political mandates. It is also responsible for providing financial management and other corporate support services including security management services to the Office of the Premier.	153 182	98 962	45 218			9 002			
2. Institutional Development The Office of the Secretary serves as the custodian of the development and implementation of the strategy and provides strategic, tactical and operational leadership to Gauteng Provincial Legislature (GPL) administration for the achievement of the institutional mandate of oversight and scrutiny, law-making, public participation and cooperative governance. The office is established to enable the Secretary to the Legislature to fulfil administrative and financial obligations in line with applicable legislation and legal directives.	404 243	203 494	198 132			2 617			
3. Policy and Governance The purpose of the Corporate Support Services is to give support to all internal stakeholders including provision of Members facilities and benefits, rendering human resource, security and logistical services as well as enhancing and maintaining information technology infrastructure. of which Transfers to Higher education institutions Transfers to Non-Profit Institutions	328 656	93 379	60 351		174 926			30 244 144 682	
2. Gauteng Provincial Legislature Vision: A progressive legislature that fosters confidence in democracy and improves the quality of life of the people of Gauteng.	857 061	421 712	266 556		160 668	8 125			
1. Leadership and Governance The purpose of the programme is to provide overall strategic leadership and direction to Gauteng Provincial Legislature (GPL). The core function of the programme is to ensure alignment of the Legislature's processes as outlined in GPL's Five-year Strategy and to monitor and oversee the execution of institutional obligations. In addition, the programme provides leadership and direction to the Legislative Services Board (LSB) and safeguards the strategic political management of the Presiding Officers and Office Bearers, including strategic management of committees to ensure political outcomes.	63 742	24 563	39 179						
2. Office of the Secretary	27 806	19 206	8 600						

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GAUTENG



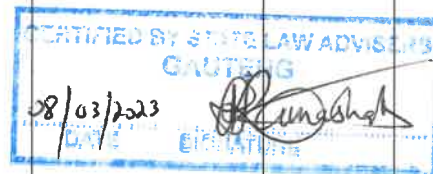
SCHEDULE								
(As a charge to the Provincial Revenue Fund)								
Details of appropriated amount								
Vote	Total per vote and main division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts specifically and exclusively appropriated
The Office of the Secretary is the custodian of the development and implementation of strategy and provides strategic, tactical and operational leadership to GPL administration so that it can achieve its institutional mandate of oversight and scrutiny, law-making, public participation and cooperative governance. The office is established to enable the Secretary to the Legislature to fulfil administrative and financial obligations in line with applicable legislation and legal directives.								
3. Corporate Support Services	418 375	132 473	117 689		160 668	7 545		
The purpose of Corporate Support Services is to provide support to all internal stakeholders including provision of Members' facilities and benefits; rendering human resource, security and logistical services; and enhancing and maintaining IT infrastructure.								
of which								
Transfers to Non-Profit Institutions								160 668
4. Core Business	288 825	198 016	90 809					
The purpose of the programme is to provide comprehensive support to the House and its committees to be able to advance the constitutional mandates of law-making, oversight and scrutiny over the work of the Executive, public participation and cooperative governance. Core Business ensures involvement by the people of Gauteng in the business of the legislature through the provision of adequate support to different public participation initiatives and creation of platforms that ensure effective participation.								
5. Office of the CFO	58 313	47 454	10 279			580		
The purpose of the programme is to provide professional financial, risk and SCM services to stakeholders for the realisation of the institutional strategic goals and objectives. The Office strives to allocate financial resources equitably to ensure adequate funding for implementation of the GPL Strategic Plan whilst promoting effective financial management of revenue, expenditure, assets and liabilities. The Office promotes effective and efficient management of all financial resources through implementation of best business practices by linking strategic planning, budgeting and reporting. The Office is also responsible for ensuring continuous implementation of all relevant financial legislation to enhance the fiscal stability, accountability and integrity of GPL.								
3. Economic Development	1 860 185	264 426	195 701		1 385 258	14 800		
Vision: A radically transformed, modernised and re-industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity								
1. Administration	269 822	158 006	97 016			14 800		
To provide strategic leadership, support and transversal business								

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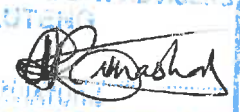
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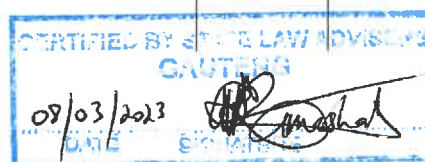
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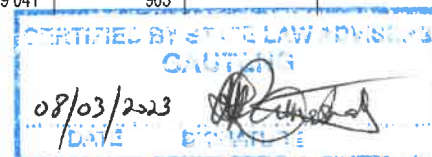
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solution to enable the MEC,HOD and Gauteng Department of Economic Development (GDED) group to effectively deliver on the mandate of the Department.								
2. Integrated Economic Development Services	197 710				197 710			
To ensure radical economic transformation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.								
of which								
Transfers to Departmental Agencies and Accounts								
Gauteng Enterprise Propeller								197 710
3. Trade and Sector Development	820 154				820 154			
To ensure re-industrialisation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.								
of which								
Transfers to Departmental Agencies and Accounts								
Gauteng Growth and Development Agency								621 682
Cradle of Humankind								52 699
Dinokeng								35 819
Gauteng Tourism Authority								109 954
4. Business Regulation and Governance	136 842	54 721	2 597		79 524			
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 Transformation, Modernisation and Re-Industrialisation (TMR) goals.								
of which								
Transfers to Departmental Agencies and Accounts								
Gauteng Liquor Board								79 115
Gauteng Gambling Board								409
5. Economic Planning	435 657	51 699	96 088		287 870			
To provide thought leadership to transform and re-industrialise the Gauteng City Region through policy and strategy development.								
Transfers to Public corporations and private enterprise								287 870
4. Health	60 093 535	35 665 552	20 347 509		1 806 571	2 273 903		
A responsive, value based, and people centered health care system in Gauteng.								
1. Administration	1 489 406	561 788	914 142		3 651	9 825		
The purpose of this programme is to conduct strategic management and overall administration of the Gauteng Department of Health (GDoH) through the sub-programmes Office of the MEC and Management.								
2. District Health Services	20 137 498	11 298 450	7 561 680		1 002 772	274 596		
The purpose of the programme is to render primary health care services, district hospital services, comprehensive HIV and AIDS care								

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 08/03/2023


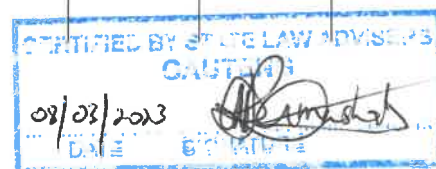
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and nutrition. It includes the delivery of priority health programmes.								
of which								
National conditional grants								
District Health Programmes Grant								5 793 999
Human Resources and Training Grant								116 740
Social Sector Expanded Public Works Programme Incentive Grant for Provinces								18 091
National Health Insurance Grant								92 947
Transfers to Municipalities								512 480
Transfers to Non-profit institutions								457 718
3. Emergency Medical Services	1 778 114	1 006 480	453 231		8 403	310 000		
The rendering of pre-hospital Emergency Medical Services including Inter-hospital transfers and planned patient transport.								
of which								
Transfers to Municipalities								
4. Provincial Hospital Services	11 357 425	7 966 504	3 175 586		21 690	193 645		
Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including specialized rehabilitation services, as well as a platform for training health professionals and research.								
of which								
National conditional grants								
National Tertiary Services Grant								32 426
Human Resources and Training Grant								483 904
5. Central Hospital Services	21 762 135	13 876 645	6 797 126		363 749	724 615		
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.								
of which								
Transfers to Non-Profit Institutions								315 000
National conditional grants								
National Tertiary Services grant								4 955 677
Human Resources and Training Grant								1 278 903
6. Health Sciences and Training	1 196 718	680 814	98 983		405 775	11 146		
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.								
of which								
Transfers to Departmental Agencies and Accounts								26 955
Transfers Higher Education Institutions								10 844



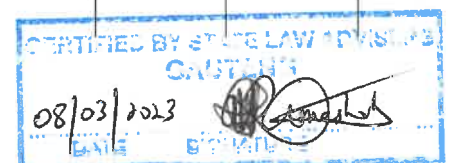
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7. Health Care Support Services The purpose of this programme is to render support services required by the Department to realise its aims through sub-programmes Laundry Services and Food Supply Services and Medical Trading Account (Medical Supplies Depot)	453 930	219 313	231 708		531	2 378		
8. Health Facilities Management The purpose of this programme is to plan, provide and equip new facilities/assets, upgrade and rehabilitate community health centres, clinics, district, provincial, specialized and academic hospitals, and other health-related facilities, and also to undertake life cycle management of immovable assets through maintenance of all health facilities. of which National conditional grants Health Facility Revitalisation Expanded Public Works Programme (EPWP) Integrated Grant	1 918 309	55 558	1 115 053			747 698		1 116 750 1 971
5. Education Vision: Every learner feels valued and inspired by our innovative education system.	63 421 638	46 020 219	7 660 918		7 892 279	1 848 222		
1. Administration To provide overall management of the education system in accordance with the National Education and Information Policy.	5 111 650	4 151 988	930 821		7 538	21 303		
2. Public Ordinary School Education To provide public ordinary education from Grades 1 to 12, in accordance with the South African Schools Act. of which National conditional grants HIV/AIDS (Life Skills Education) National School Nutrition Maths, Science and Technology Transfers to Non-Profit Institutions	44 552 500	35 902 063	5 132 288		3 508 313	9 836		36 385 1 094 224 60 778 3 360 178
3. Independent School Subsidies To provide independent ordinary education from Grades 1 to 12, in accordance with the South African Schools Act. of which Transfers to Non-Profit Institutions	1 038 819		10 295		1 028 524			1 028 524
4. Public Special School Education To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education. of which National conditional grants Learners with Profound Intellectual Disabilities Transfers to Non-Profit Institutions	5 249 199	4 191 665	34 775		1 022 759			36 000 1 017 766
5. Early Childhood Development	2 329 305	1 268 137	261 164		799 041	963		



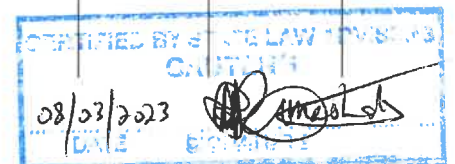
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To provide early childhood education at Grade R and earlier levels in accordance with White Paper 5. of which Transfers to Non-Profit Institutions Early Childhood Development Grant	2 460 712	51 750	734 752			1 674 210		799 041
								236 871
6. Infrastructure Development								
To provide and maintain infrastructure facilities for the administration and schools of which National conditional grants Education Infrastructure Early Childhood Development Grant	2 460 712	51 750	734 752			1 674 210		2 256 620
								10 092
7. Examination and Education Related Services								
To provide training and support to all education institutions. of which National conditional grants Expanded Public Works Programme Integrated Grant Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Non-Profit Institutions Transfers to Departmental Agencies and Accounts	2 679 453	454 616	556 823	1 526 104	141 910			2 735
								9 533
								1 057 372
								125 699
6. Social Development	5 550 806	2 046 156	1 105 865		2 312 214	86 571		
Vision: A caring and self-reliant society								
1. Administration	718 409	355 176	346 846		4 872	11 515		
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. of which Transfers to Departmental Agencies and Accounts	692 604	85 269	70 144		519 691	17 500		83
2. Social Welfare Services								
To provide integrated developmental social welfare services to the poor and vulnerable beneficiaries in partnership with stakeholders and civil society. of which Transfers to Non-Profit Institutions National conditional grants Social Sector Expanded Public Works Programme Incentive Grant for Provinces	692 604	85 269	70 144		519 691	17 500		518 974
								22 444
3. Children and Families	1 965 543	1 121 101	362 187		438 499	43 756		
To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations. of which Transfers to Non-Profit Institutions	1 965 543	1 121 101	362 187		438 499	43 756		437 043
4. Restorative Services								
To provide integrated developmental social crime prevention and anti-	959 904	169 659	102 288		674 157	13 800		



SCHEDULE								
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Details of appropriated amount								
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substance abuse services and victim empowerment programme to the most vulnerable in partnership with stakeholders and civil society organisations. <i>of which</i> <i>Transfers to Non-Profit Institutions</i>								673 966
5. Development and Research To provide sustainable development programmes , which facilitates empowerment of communities based on empirical research and demographic information. <i>of which</i> <i>Transfers to Non-Profit Institutions</i>	1 214 346	314 951	224 400		674 995			674 666
7. Cooperative Governance and Traditional Affairs Vision: Sustainable, Smart, Inclusive Cities and Communities in the Gauteng City Region.	639 686	394 868	225 066		14 560	5 192		
1. Administration The programme aim is staff capacitation for the department to conduct the pivotal role that it has to play. This will involve capacity building in technical, professional and leadership skills. The assumption is that once staff are adequately skilled, they will implement the interventions as conceptualized. An effective, efficient and responsive Cooperative Governance and Traditional Affairs (COGTA) can be easily determined by establishing the number of effective core business applications, systems and processes developed and automated during the five years. The major assumption made is that the correct business applications, systems and processes will be developed and automated so that these will jointly contribute to the effectiveness, efficiency and responsiveness of COGTA in meeting the needs of its stakeholders.	162 544	100 336	56 016		1 000	5 192		
2. Local Governance The Local Governance Programme seeks to strengthen the developmental state by enhancing participatory governance and institutional stability, as well as by building the capacity and capability of local government to achieve its constitutional mandate. The goal of the programme is to promote and facilitate viable and sustainable local governance in line with Pillar 4: Transformation of State and Governance. <i>of which</i> <i>Transfers to Provinces and Municipalities</i>	306 542	220 308	86 234					
3. Development and Planning 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. <i>of which</i>	150 972	60 362	77 050		13 560			



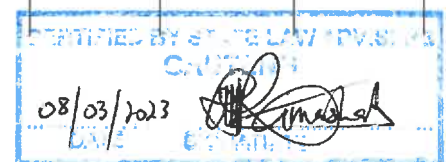
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National conditional grants								
Expanded Public Works Programme								1 960
Integrated Grant								
Transfers to Municipalities								13 560
4. Traditional Institutional Development	19 628	13 862	5 766					
The programme promotes and facilitates 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.								
8. Human Settlements	6 421 222	528 126	565 822		5 070 481	256 793		
Vision: To create integrated and sustainable human settlements within a smart Gauteng City Region.								
1. Administration	696 086	279 793	406 452		2 079	7 762		
The main goal of this Programme is to strengthen and align the department's ability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (human resources, financial management, supply chain, information and communication technology (ICT), risk management and facilities' management and support). 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. The Programme's outputs are in line with government's Outcome 12, which seeks to achieve "An efficient, effective and developmental-oriented public service and an empowered, fair and inclusive citizenship".								
2. Housing Needs, Research and Planning	24 694	16 928	7 766					
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 IDPs, and conduct research into the demand for housing. The Programme promotes effective and efficient delivery of provincial and local government housing programmes; integrated redevelopment of urban communities at scale, and sustainable local economies. It performs a number of transversal functions, including quality assurance, research and development and inputs into policy development, and planning and housing support.								
3. Housing Development	5 465 762	193 931	4 398		5 018 402	249 031		
The core focus of the Housing Development Programme is to build integrated, cohesive, and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. The Programme's								



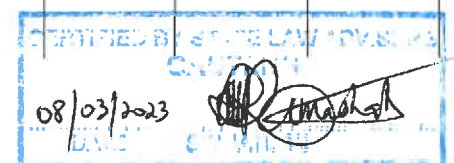
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emphasis is on the provision of individual subsidies and housing opportunities for beneficiaries, in accordance with the National Housing Policy. This programme promotes effective and efficient delivery of provincial and local housing programmes. It concentrates on the integrated redevelopment of urban communities at scale, and cultivating sustainable local economies. The Programme's outputs are reflected in government's Outcome 8, which seeks to achieve "Sustainable human settlement and improved quality of household life". of which National conditional grants Informal Settlements Upgrading Partnership Grant for Provinces Human Settlements Development Grant Expanded Public Works Programme Integrated Grant Transfers to Departmental Agencies and Accounts Gauteng Partnership Fund								
4. Housing Assets and Property Management	234 680	37 474	147 206		50 000			1 226 949
								3 979 445
								11 038
								467 285
The purpose of the Programme is to promote home-ownership in historically-disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands, and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants, and promotes home ownership through sectionalisation of flats. It disposes of the department's commercial properties. of which National conditional grants Human Settlements Development Grant								146 390
9. Roads and Transport	8 478 597	852 486	1 056 024		5 564 510	1 005 577		
Vision: Growing Gauteng together through smart mobility -2030								
1. Administration	345 624	215 630	108 758		200	21 036		
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.								
2. Transport Infrastructure	2 173 967	347 956	836 758		5 560	983 693		
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.								

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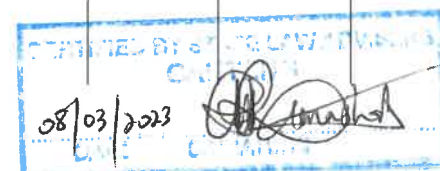
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<i>of which</i>								
National conditional grants								
Provincial Roads Maintenance								1 092 661
Expanded Public Works Programme								4 121
Integrated Grant								
Transfers to Provinces and Municipalities								2 300
3. Transport Operations	3 112 600	66 955	12 205		3 033 440			
To plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, Community Based Organisations (CBOs), Non-Governmental Organisations (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								2 850 898
Transfers to Public corporations and private enterprise								3 033 320
4. Transport Regulation	339 448	221 945	98 303		18 352	848		
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.								
5. Gautrain Rapid Rail Link	2 506 958				2 506 958			
To plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain.								
Management of the concession agreement will remain one of the most important functions of the Gautrain Management Agency (GMA). The agreement was concluded between the province, through the Department of Roads and Transport, on the one hand and the concessionaire on the other for the design, construction and operation of the railway line for the Gautrain Rapid Rail Project.								
<i>of which</i>								
Transfers to Departmental Agencies and Accounts								
Gautrain Management Agency								2 506 958
10. Community Safety	2 706 192	1 842 797	594 084		4 488	264 823		
Vision: To realise Gauteng as a province where people feel and are safe.								
1. Administration	178 344	148 555	25 926			3 863		
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.								
<i>of which</i>								



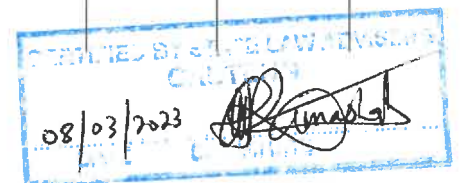
SCHEDULE								
(As a charge to the Provincial Revenue Fund)								
Details of appropriated amount								
Vote	Total per vote and main division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts specifically and exclusively appropriated
Transfers to Provinces and Municipalities 2. Provincial Secretariat for Police Service 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 Departmental Agencies and Accounts	268 689	118 062	116 304		856	33 467		
3. Traffic Management The main aim of the programme is to integrate and coordinate traffic law enforcement, reduce road fatalities and support the South African Police Service (SAPS) crime prevention initiatives in the province. <i>of which</i> Transfers to Provinces and Municipalities Transfers to Public corporations and private enterprise	2 259 159	1 576 180	451 854		3 632	227 493		196
11. Agriculture and Rural Development Vision: An economically transformed agricultural sector, ensuring sustainable development for healthy food, food security and prosperous rural and urban communities in Gauteng.	1 066 204	572 573	468 170		9 831	15 630		
1. Administration The purpose of the programme is 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 Pillar 5. The programme's aim is an efficient, effective and development-oriented public service; empowered, fair and inclusive citizenship through the following strategic objectives; which are in line with the department's five-year Strategic Plan. <i>of which</i> Transfers to Departmental Agencies and Accounts	275 960	160 952	106 260		2 227	6 521		
2. Agriculture and Rural Development The programme aims 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. These	494 360	199 562	283 080		6 561	5 157		1 405



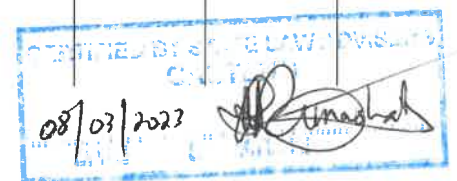
SCHEDULE								
(As a charge to the Provincial Revenue Fund)								
Details of appropriated amount								
Vote	Total per vote and main division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts specifically and exclusively appropriated
activities stimulate economic growth and contribute towards poverty alleviation and international trade. of which National conditional grants Land Care Ilima/Letsema Projects Comprehensive Agricultural Support Programme Expanded Public Works Programme Integrated Grant Transfers to Higher Education Institutions								5 360 37 885 103 014 3 621 6 227
3. Environmental Affairs The programme promotes equitable and sustainable use of ecosystems, goods and services and contributes to economic development by managing biodiversity and its components, processes, habitats and functions. The programme also ensures that the province implements the principles of integrated waste management; promotes sustainable development and quality of life by ensuring acceptable ambient air quality and sustainable mining practices; and manages hazardous chemicals and industrial related activities. Transfers to Provinces and Municipalities	295 884	212 059	78 830		1 043	3 952		300
12. Sport, Arts, Culture and Recreation Vision: An active, creative and modernised Gauteng City Region contributing to sustainable economic growth and social cohesion.	1 089 937	327 202	363 593		349 581	49 561		
1. Administration The aim of the Administration Programme is to provide political and strategic direction and to support the department by providing corporate management services. It primarily contributes to Sport, Arts, Culture and Recreation (SACR) Strategic Goal: A capable and activist administration which contributes to a modern developmental state to promote good governance.	200 475	136 108	53 669		2 537	8 161		
2. Cultural Affairs The aim of the Cultural Affairs Programme is to identify, develop, support, promote, preserve and protect arts and heritage resources in the province. of which National conditional grants Expanded Public Works Programme Integrated Grant Transfers to Departmental Agencies and Accounts Transfers to Non Profit Institutions Transfers to Provinces and Municipalities	194 790	57 812	77 357		56 216	3 405		40 087 14 100 2 029
3. Library and Archives Services 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	328 841	34 440	64 496		204 293	25 612		



SCHEDULE								
(As a charge to the Provincial Revenue Fund)								
Details of appropriated amount								
Vote	Total per vote and main division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts specifically and exclusively appropriated
personal development. Libraries, as knowledge hubs, achieve the broad imperatives of socio-economic development and nation building. of which National conditional grants Community Library Services Transfers to Provinces and Municipalities Transfers to Non Profit Institutions								176 522 200 293 3 500
4. Sport and Recreation The aim of this programme is to promote sport and recreation and school sport; facilitate talent identification; promote sport development and high performance to make Gauteng the Home of Champions. of which National conditional grants Mass Sport and Recreation Participation Programme Social Sector Expanded Public Works Programme Incentive Grant for Provinces Transfers to Non Profit Institutions	365 831	98 842	168 071		86 535	12 383		124 727 86 535
13. E-Government A smart Gauteng City Region that provides efficient quality services to citizens. 1. Administration To provide executive leadership, oversight, accountability and corporate support services. 2. Information Communication Technology(Ict) Shared Services Establishment of an ICT e-Government governance structure for the Department and the broader GCR as well as building ICT infrastructure, developing applications, promoting ICT skills development and facilitating innovation and research. Promotion of the usage of e-Government services by citizens, businesses and government entities through transformation and incentive programmes. Conclusion of private and public partnerships and the implementation of incubation and innovation programmes. of which Transfers to Higher Education Institutions 3. Human Resources Services To modernise HR business processes within the GPG through provisioning of ICT systems, promoting their optimal utilisation and producing analytical HR information useful for purposes of decision-making.	1 744 202 254 425 1 356 748 133 029	513 207 174 484 206 817 131 906	1 205 403 77 749 1 126 981 673		23 550 150 22 950 450	2 042 2 042		22 800
14. Gauteng Provincial Treasury Pioneers in fiscal prudence and good governance 1. Administration To provide effective and ethical leadership, management and	818 465 174 486	657 425 139 205	88 194 27 903		65 946 478	6 900 6 900		



SCHEDULE								
(As a charge to the Provincial Revenue Fund)								
Details of appropriated amount								
Vote	Total per vote and main division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts specifically and exclusively appropriated
administrative support to enable the department to deliver on its mandate.								
2. Sustainable Fiscal Resource Management	170 030	89 021	15 541		65 468			
To ensure the effective and efficient administration of fiscal resources.								
of which								
Departmental agencies and accounts								
Gauteng Infrastructure Financing Agency								65 468
3. Financial Governance	135 902	125 785	10 117					
To promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards as contained in the PFMA								
4. Supply Chain Management	105 124	101 947	3 177					
To promote and enforce transparency and effective Supply Chain Management								
5. Municipal Financial Governance	90 882	69 804	21 078					
To oversee, assist and support all delegated municipalities with the implementation of the Municipal Finance Management Act.								
6. Gauteng Audit Services	142 041	131 663	10 378					
To render audit services in the GPG departments.								
15. Infrastructure Development	3 311 270	1 232 558	679 911		1 242 977	155 824		
Vision: To be the trusted provider of integrated and SMART public infrastructure and property management solutions that transform the spatial landscape and improve the quality of life of the people of Gauteng.								
1. Administration	446 533	267 476	146 757		4 000	28 300		
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. This includes the provision of strategic and operational support services for the MEC and the HOD, provision of Financial Management and Supply Chain Management services, provision of Corporate Support Services including Human Resource Management, Information Systems Management, Internal and External Communications, Strategic Planning and Monitoring and Evaluation as well as Legal Services and Security Management, and the provision of Internal Audit and Organisational Risk Management services.								
2. Public Works Infrastructure	2 491 396	843 257	281 638		1 238 977	127 524		
This Public Works infrastructure Programme is responsible for providing the core services that are mandated to the Department. This includes being the implementer of infrastructure and maintenance projects on behalf of all GPG Departments. Maintenance projects include renovations, refurbishments and upgradings. In the case of the Provincial Department of Health, it also								



SCHEDULE								
(As a charge to the Provincial Revenue Fund)								
Details of appropriated amount								
Vote	Total per vote and main division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets	Amounts specifically and exclusively appropriated
includes the implementation of day-to-day, routine/preventative and emergency maintenance at all Health Facilities in the Province with the exception of Jubilee Hospital and Odi Hospital which are maintained by the Provincial Department of Health. of which Transfers to Municipalities Transfers to Departmental Agencies and Accounts 3. Expanded Public Works Programme The purpose of Expanded Public Works Programme (EPWP) 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. The EPWP is a nationwide programme aimed at the reorientation of the public-sector spending in favour of projects that create more work opportunities. of which Expanded Public Works Programme Integrated Grant	373 341	121 825	251 516				1 238 977	
								10 006
TOTAL FOR THE PROVINCE	158 945 081	91 735 142	35 126 517		26 077 840	6 005 582		

08/03/2023

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EXPLANATORY MEMORANDUM OF OBJECTS ON THE GAUTENG PROVINCIAL APPROPRIATION BILL, 2023

I. INTRODUCTION

1. Section 215(1) of the Constitution of the Republic of South Africa, 1996 (hereinafter referred to as “the Constitution”), provides for national, provincial, and municipal budgets and budgetary processes that must promote transparency, accountability and the effective management of the economy, debt, and the public sector.
2. Section 215(2) of the Constitution enjoins Parliament to enact national legislation which must prescribe—(a) the form of national, provincial, and municipal budgets; (b) when national and provincial budgets must be tabled; and (c) 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.
3. Section 215(3) of the Constitution, in turn, requires that budgets in each sphere of government must contain—(a) estimates of revenue and expenditure, differentiating between capital and current expenditure; (b) proposals for financing any anticipated deficit for the period to which they apply; and (c) an indication of intentions regarding borrowing and other forms of public liability that will increase public debt during the ensuing year.
4. Section 226(1) of the Constitution, on the other hand, establishes the Gauteng Provincial Revenue Fund for the Gauteng Province into which all money received by the Gauteng provincial government must be paid, except money reasonably excluded by an Act of Parliament. Section 226(2) of the Constitution, on the other hand, provides that money may be withdrawn from the Gauteng Provincial Revenue Fund only—(a) in terms of an appropriation by a provincial Act; or (b) as a direct charge against the Fund when it is provided for in the Constitution or a provincial Act. For instance, revenue allocated through the Gauteng Provincial Government to local government in terms of section 214(1) of the Constitution, is a direct charge against the Gauteng Provincial Revenue Fund according to section 226(3) of the Constitution.



5. The Public Finance Management Act, 1999 (Act No. 1 of 1999) (hereinafter referred to as “PFMA”), in section 26, mirrors section 226(2) read with section 215(2) of the Constitution by providing for annual appropriations by Parliament and the Gauteng Provincial Legislature and enjoins Parliament and the Gauteng Provincial Legislature to appropriate money for the 2023/24 financial year for the requirements of the State and the Gauteng Province, respectively.
6. Section 27(2) of the PFMA requires the member of the Executive Council responsible for finance in the Gauteng Province (hereinafter referred to as “the MEC”) to table the provincial annual budget for 2023/24 financial year in the Gauteng Provincial Legislature not later than two weeks after the tabling of the national annual budget by the Minister in accordance with section 27(1) of the PFMA, unless the Minister approves an extension of time for the tabling of a provincial budget. The Minister of Finance tabled the national annual budget for 2023/24 financial year on Wednesday, 22 February 2023.
7. Furthermore, the PFMA in section 28(1) requires the Minister of Finance and the MEC to annually table in the National Assembly and in the Gauteng Provincial Legislature, respectively, a multi-year budget projection of—(a) the estimated revenue expected to be raised during each year of the multi-year period; and (b) the estimated expenditure expected to be incurred per vote during each year of the multi-year period differentiating between capital and current expenditure.
8. The Gauteng Provincial Appropriation Bill, 2023, encompasses the annual budget for the 2023/24 financial year and accordingly and fully subscribes to the above-mentioned prescripts of the Constitution and the PFMA.

II. BACKGROUND

1. The 2023 MTEF of the Gauteng Province is tabled in an environment characterised by fiscal constraints coupled with low economic growth projections due to electricity supply constraints. The levels of poverty, unemployment and inequality have deepened post COVID-19, hence limited resources are optimally allocated to address the widespread socio-economic challenges, promote sustainable growth and development, and ensure greater access to service delivery.



2. The Gauteng Province remains committed to Growing Gauteng Together 2030 (GGT2030) mandate, and elevated five areas of the GGT2030 blueprint to reposition the province for realising its vision of building the Gauteng City Region and improving the lives of its citizens. These five elevated priorities of the GGT2030 can be described as follows:
 - (1) Accelerating economic recovery and reconstruction;
 - (2) Strengthening the battle against crime, corruption, vandalism, and lawlessness in the province;
 - (3) Improving the living conditions in townships, informal settlements, and hostels (TISH);
 - (4) Prioritizing the health and wellness of people and
 - (5) Strengthening the capacity of the state to deliver effectively and efficiently.
3. High levels of crime in the Gauteng Province undermine public safety and pose a risk to economic growth, therefore emphasis is placed on provincial crime fighting interventions, an apex priority of the province for which a significant budget increase over the medium term is tabled. Additional resources are also provided over the medium term for health, education, and infrastructure investment to gradually restore the baselines of the key frontline departments and thereby enhance the delivery of essential services and support economic growth and recovery.
4. The Gauteng Provincial Appropriation Bill, 2023, 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 2023/24 Financial Year.

III. DISCUSSION

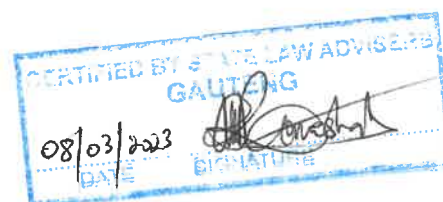
A. Macro-economic context

1. The International Monetary Fund (IMF) forecasts global gross domestic product (GDP) growth to moderate to 2.9 per cent in 2023, following an estimated 3.4 per cent growth for 2022. The major headwinds facing the global economy include the war in Ukraine and higher interest rates as central bankers respond to higher than anticipated global inflation. Global economic



growth is expected to recover to 3.1 per cent in 2024. Overall, the risks remain tilted to the downside, with the slowdown expected to be more pronounced in advanced economies while Emerging Market and Developing Economies (EMDEs) rebound.

2. Growth in advanced economies is forecast to moderate to 1.2 per cent in 2023 from 2.7 per cent estimated in 2022. This is due to a lower economic growth forecast (1.4 per cent) in the United States (US) as previous Federal Reserve bank tightening makes its way through the economy. Similarly, growth is forecast to moderate to 0.7 per cent in the Euro Area because of prolonged gas supply constraints due to the war.
3. The EMDEs economic growth is forecast to accelerate moderately to 4.0 per cent, mainly reflecting strong growth in the Asia Pacific region due to the re-opening of the Chinese economy and recovery in private consumption. Along with India, China is forecast to contribute half of global economic growth in 2023 while the US and the Euro area are expected to contribute 10 percent to the global economic growth. The Sub-Saharan Africa (SSA) region grew by an estimated 3.8 per cent in 2022 and is expected to maintain that pace of growth in 2023. The region's commodity exporting countries are expected to benefit from higher commodity prices. Nigeria possessing the largest economy is estimated to have grown by 3.0 per cent in 2022 and is forecast to accelerate moderately to 3.2 per cent in 2023.
4. The National Treasury estimates the South African economy to have grown by 2.5 per cent in 2022, following a growth of 4.9 per cent in 2021. As a result, the economy is estimated to have grown to R4.6 trillion in 2022, which is above prior to the impact of COVID-19. South Africa's economy continues its gradual improvement, held back by the KwaZulu-Natal flooding that took place in April and largely the extensive load-shedding. However, the first quarter of 2022 posted a growth of 1.7 per cent quarter on quarter (q-o-q) which is attributed to increased output in sectors like manufacturing and trade. The second quarter saw a contraction of 0.7 per cent q-o-q due to the devastating floods in KwaZulu-Natal and the national load shedding. The economy has managed to recover again in the third quarter increasing by 1.6 per cent q-o-q and surpassing the pre-COVID levels. The South African Reserve Bank (SARB) forecasts economic growth to remain flat in the fourth quarter.

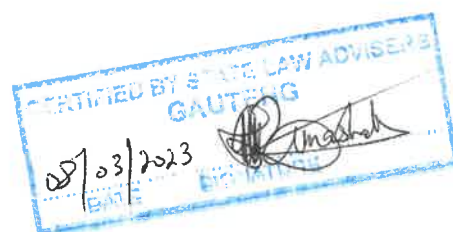


5. Economic growth is expected to slow to 0.9 per cent in 2023 and only moderately improve to 1.5 per cent in 2024 and 1.8 per cent in 2025 in South Africa. Furthermore, the effects of the war in Ukraine and electricity supply constraints remain a major downside risk to the economic growth outlook.
6. More recently, headline inflation has moderated from the peak of 7.8 percent in July, however it remains well above the mid-point of SARB's target band. Inflation is expected to fall within the SARB's target range during the second half of 2023. Although South Africa has seen a recent interest rate increases, the policy stance remains accommodative and supportive of credit demand.
7. The Gauteng economy is estimated to grow by 2.1 per cent in 2022, then moderate to 1.5 per cent in 2023 before rising to 2.0 per cent in 2024. Overall, economic prospects remain vulnerable to the inconsistent electricity supply capacity.¹
8. Aggregate economic output has rebounded beyond pre COVID-19 levels, and the implementation of the government's targeted structural reforms is critical to the sustainability of the economic reconstruction and recovery which will relieve pressure on public finances.

B. Key budget principles

1. The 2023 MTEF budget is prepared within a constrained fiscal environment hence the following principles guided the allocation of budgets to provincial departments:
 - (1) Resourcing the elevated priorities of GGT 2030 blueprint;
 - (2) Reprioritisation of budget baselines to fund policy priorities and improve efficiency;
 - (3) A shift in the composition of spending from consumption to investment;
 - (4) Allocation of additional resources based on the capacity of department to absorb and spend funding optimally;
 - (5) A focus on completing existing infrastructure projects and
 - (6) The readiness of departments to implement and capacity to deliver infrastructure projects.

¹ IHS Markit Regional Explorer. (2023). Pretoria, South Africa



C. Funding for elevated priorities

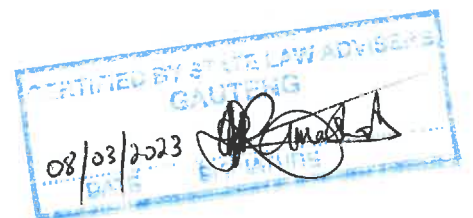
Provincial departments have responded to the provincial elevated GGT2030 priorities. In the paragraphs below, some of these strategic interventions with their respective budget allocations are explained:

C.1. Gauteng Office of the Premier

2. The Gauteng Office of the Premier receive R886.1 million in 2023/24 and a total of R2.5 billion over the MTEF which is inclusive of funding for the elevated GGT2030 provincial priorities.
3. In order to reposition the Gauteng Provincial Government (GPG) brand, R142.7 million in 2023/24 and R116.5 million in 2024/25 is allocated for media, marketing campaigns and stakeholder engagements which will focus on townships, informal settlements, and hostels. Furthermore, an additional amount of R22.4 million is allocated in 2023/24 to the Hotline Centre, to increase capacity by 100 learners and 12 regional coordinators who will assist the Centre with high call volumes.

C.2. Gauteng Provincial Legislature

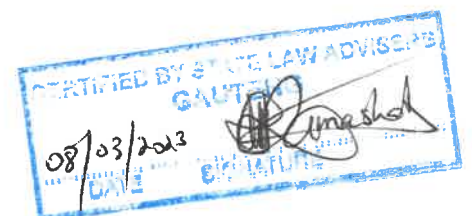
1. The Gauteng Provincial Legislature is allocated R857.1 million in 2023/24, equating to a total of R2.6 billion over the MTEF to propel confidence in democracy and improve the quality of life of Gauteng's citizens.
2. The total budget includes R160.7 million allocated in 2023/24 for funding political parties and constituency support. This is to support political parties represented in the Gauteng Provincial Legislature to fulfil their role as public representatives. This funding increases to R163.5 million and R165.4 million in 2024/25 and 2025/26 respectively.
3. In enabling the Gauteng Provincial Legislature to deliver its core business services, which include law-making, oversight over the executive and public participation in the legislature processes, R288.8 million is allocated in 2023/24. This amount increases to R290 million in 2024/25 and R302.5 million in 2025/26. The Gauteng Provincial Legislature continues to develop and implement laws that create an enabling environment to better Gauteng citizens



lives through public participation processes or public hearings, citizens responsibility campaigns and various other programmes of the legislature committees.

C.3. *Gauteng Department of Economic Development*

1. The Gauteng Department of Economic Development receives R1.9 billion in the 2023/24 financial year and a total of R3.4 billion over the MTEF for accelerating economic growth and recovery in an effort to ensure the economy works for everyone in an inclusive and integrated manner.
2. In an effort to transform Gauteng into a single, multi-tiered mega special economic zone, R272 million is allocated in the 2023/24 financial year, of which R23 million is for the professional resource team in the OR Tambo International Airport Special Economic Zone (ORTIA SEZ) and R65 million is for the development of bulk infrastructure services for the ORTIA Precinct. The remaining amount of R184 million is for the Tshwane Automotive Special Economic Zone (TASEZ), which is allocated towards projects such as the central hub building (including parking), perimeter fencing (phase 1), the construction of bulk infrastructure (Phase 2 development) and the payment of the professional service providers, who are responsible for the designs and who oversee the construction. The development of TASEZ Phase 2 will produce 450 additional construction jobs and 100 additional positions for tenants within the zone. TASEZ Phase 2 will also concentrate on the creation of a TASEZ Campus comprising of multiple nodes/disciplines including incubation and technical training schools with the primary goal of skills and SMME development.
3. To accelerate economic recovery, R62 million in 2023/24 and R185 million over the MTEF is allocated for the refurbishment of industrial parks. The Provincial Industrial Park Revitalisation Programme includes the revitalisation of industrial parks in Emndeni, Garankuwa, Tembisa, Chamdor and Sebokeng Extension 1 and Extension 2. A total of sixty local contractors will be empowered through sub-contracting at 30 per cent from the main contractors and four hundred construction job opportunities are expected to be created in the geographical areas where the above infrastructure projects are to be implemented.

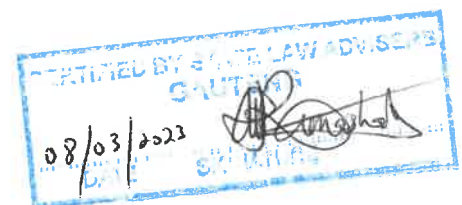


C.4. *Gauteng Department of Health*

1. The Gauteng Department of Health receives R60.1 billion in 2023/24 and a total R187.8 billion over the MTEF including funding for the provincial elevated GGT2030 priority of health and wellness with an emphasis on townships, informal settlements, and hostels.
2. The Department will upgrade and refurbish primary health care facilities which receive R10.8 million in 2023/24 and R32.4 million over the MTEF. Regarding wellness programmes, extensive life course health and wellness campaigns and physical activity programmes in prioritised townships, informal settlements and hostels receive R36.4 million in 2023/24 and R109.2 million over the MTEF. To mainstream food safety on the Provincial Health Council Structure, R6 million in 2023/24 and R18 million over the MTEF is set aside.
3. To upgrade Occupational Health and Safety compliance in the eleven prioritized hospitals, R28.6 million in 2023/24 and R95.5 million over the MTEF is allocated for fire hydrants, fire hose reels, fire extinguishers, fire water couplers, fire escapes signage and fire-escape doors. The department continues to implement the electronic health record system in priority hospitals which receive R167.4 million in 2023/24 and R208.4 million over the MTEF. Strengthening mental healthcare services remain a priority of which an additional R489.1 million in 2023/24 and R1.4 billion over the MTEF is made available for key initiatives such as additional mental health acute beds, the appointment of district mental health teams and filling of mental healthcare posts.

C.5. *Gauteng Department of Education*

1. An amount of R63.4 billion in 2023/24 and a total of R196 billion over the MTEF is allocated to the Gauteng Department of Education in responding to amongst others, the elevated GGT 2030 priorities of the province.
2. The provincial elevated priorities focus on schools located within disadvantaged communities including townships in order to support poor learners. In order to improve the matric pass rate, the quality of matric results and to decrease the matric percentage pass rate between no-fee- and fee-paying schools to 70 per cent, R195.4 million in 2023/24 and R612.8 million over the

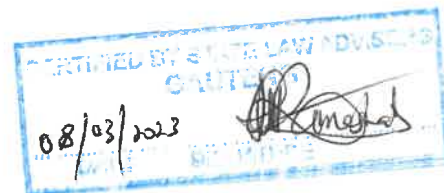


MTEF is allocated to interactive e-lessons, light emitting diode (LED) boards and the Further Education and Training (FET) strategy.

3. In partnership with the Gauteng Department of Social Development, wellness programmes will be incorporated to rehabilitate children in conflict with the law into the education system. An amount of R126.3 million in 2023/24 and R383.4 million over the MTEF is set aside for this purpose. Schools of Specialisation which primarily aims to address the skills shortages in the country's economy and expand post-matric learner opportunities receives R92.3 million in 2023/24 accumulating to R289.4 million over the MTEF.
4. Furthermore, the information communications and technology (ICT) rollout in township schools through the establishment of e-classrooms receive R385.5 million in 2023/24 and R1.2 billion over the MTEF. An amount of R297.4 million in 2023/24 and R1.3 billion over the MTEF is allocated towards the refurbishment of schools within townships and R605.1 million in 2023/24 and R1.2 billion over the MTEF will be used for the delivery of smart public infrastructure. The continued investment for school infrastructure in townships will also include mobile classrooms for which R307.1 million and R1.1 billion over the MTEF is set aside.

C.6. *Gauteng Department of Social Development*

1. The Gauteng Department of Social Development receive R5.5 billion in 2023/24 and a total of R17.1 billion over the MTEF. To respond to the elevated priorities of GGT2030, the Department will focus on expanding its services to selected townships, hostels, and informal settlements. The programmes will be implemented jointly with the Gauteng Department of Agriculture and Rural Development since some of its services complement the services of the department. Therefore, beneficiaries from rehabilitation and the homeless programmes will participate in skills development programmes and access food relief provided by these collaborating departments.
2. Due to low economic growth and the effects of the COVID-19 pandemic, the levels of poverty, unemployment and inequality have increased the need for more interventions to support the most vulnerable citizens. The number of homeless people has also increased and therefore, R111.3 million in 2023/24 and R347.3 million over the 2023 MTEF is allocated to the homeless

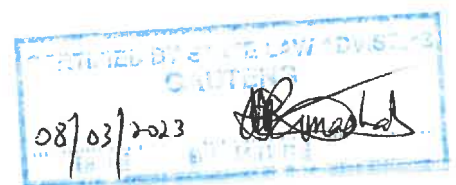


programme to enable the provision of amongst others, meals, medical support, clothing, and shelter to homeless people. To mitigate urban hunger, food relief which is provided to beneficiaries in poverty-stricken areas receive R205.7 million in 2023/24 and R642.2 million over the MTEF.

3. Substance abuse treatment and aftercare services is allocated a budget of R425.2 million in 2023/24 and R1.3 billion over the MTEF whereas substance abuse prevention programmes receive R76.6 million in 2023/24 and R239 million over the MTEF. The Department will also provide skills development programmes to selected townships, informal settlements and hostels targeting beneficiaries of the child support grant, the substance abuse treatment programmes, and the homeless programmes. Hence, an amount of R673.9 million in 2023/24 and R2.1 billion over the MTEF is allocated to skills development programmes.

C.7. Gauteng Department of Cooperative Governance and Traditional Affairs

1. The Gauteng Department of Cooperative Governance and Traditional Affairs receives R639.7 million in the 2023/24 financial year and R1.9 billion over the MTEF which include funding for the GGT2030 elevated priority of strengthening the capacity of the state to deliver effectively and efficiently.
2. In supporting the functional and stable municipal councils and related committees, R2.5 million is allocated in 2023/24 and R8.2 million over the MTEF. Additionally, R600 000 in 2023/24 and R2.1 million over the 2023 MTEF is made available to ensure that there are strong and functional political intergovernmental relations (IGR) structures.
3. The implementation of the roadmap on powers and functions and metro system of government receives R1 million in 2023/24 and R3 million over the MTEF. Enhanced public participation, social mobilisation, awareness campaigns and the strengthening of asset-based community development capacity receive R6 million in 2023/24 and R19.5 million over the MTEF. In strengthening participatory democracy and facilitating voter education campaigns, community engagement and public awareness campaigns R20 million in 2023/24 and R54 million over the MTEF is set aside.



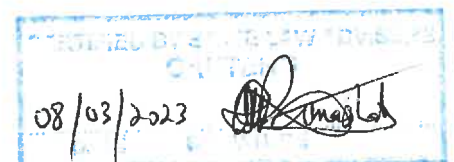
4. An amount of R700 000 in 2023/24 and R2.5 million over the MTEF is for strengthened collaboration and cooperation between the local government governance system and traditional authorities. In addition, R48 million in the 2023/24 financial year is allocated to promote financial resilience within municipalities and revenue management strategies. Institutional stabilisation and accountability receive R4 million and R16 million over the MTEF.

C.8. Gauteng Department of Human Settlements

1. The Gauteng Department of Human Settlements is primarily responsible for building integrated human settlements and is allocated R6.4 billion in the 2023/24 financial year and R20.4 billion over the MTEF. The programmes supporting the GGT2030 elevated priorities includes the Rapid Land Release Programme with an allocation of R2.8 billion over the MTEF. Providing security of tenure through the issuance of title deeds is allocated R103.3 million in the 2023/24 financial year and accumulating to R255.2 million over the MTEF.
2. Following the Premier's meetings with Izinduna in the province, hostel redevelopment also became an elevated priority and an amount of R322 million is made available in 2023/24 to fund the priority. An allocation of R1.2 billion in the 2023/24 financial year and R3.8 billion over the MTEF is for the improvement and upgrading of informal settlements across the province. The provision of housing opportunities through Mega Housing Projects that includes the servicing of stands, receive R2. billion in 2023/24 and R9.9 billion over the MTEF.

C.9. Gauteng Department of Roads and Transport

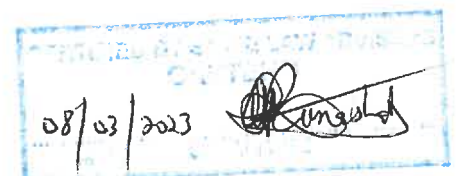
1. The Gauteng Department of Roads and Transport receives R8.5 billion in 2023/24 and R27.3 billion over the MTEF. In relation to the GGT2030 elevated priorities, the Department will focus on completion of infrastructure projects.
2. A total of R450 million in 2023/24 and R815.8 million over the MTEF is allocated for the upgrading or rehabilitation of strategic roads whereas the R1.8 million in 2023/24 is allocated for the implementation of freight initiatives. In relation to the maintenance of road infrastructure, preventative road maintenance work for regions in municipalities targeted during Smart Mobility Weekends, R414 million is allocated in 2023/24 and R1.4 billion over



the MTEF. Furthermore, R310.8 million in 2023/24 and R1 billion over the MTEF is set aside for repairing potholes within 24 hours that are reported through the Pothole Fixing GP APP.

C.10. Gauteng Department of Community Safety

1. The Gauteng Department of Community Safety receives R2.7 billion in 2023/24 accumulating to R7.6 billion over the 2023 MTEF, which is a significant growth in the budget baseline due to priority afforded towards the GGT2030 elevated priority of strengthening the battle against crime, corruption, vandalism, and lawlessness in the Gauteng Province.
2. The GGT2030 elevated priorities entails the improvement of safety interventions within townships, informal settlements, and hostels. Therefore, the Department will conduct crime prevention operations including joint operations focussing on townships, hostels, and informal settlements for which R21.8 million in 2023/24 and R64.2 million over the 2023 MTEF is set aside. The recruitment, tools of trade and training of 6 000 crime prevention wardens receives R1.4 billion in 2023/24 and R3.6 billion over the 2023 MTEF.
3. Furthermore, through an allocation of R21.6 million in 2023/24 and R194.4 million over the 2023 MTEF, the department will lease a helicopter and patrol vehicles which will be deployed to crime hotspots. An amount of R25 million in 2023/24, R25 million in 2024/25 and R10 million in 2025/26 is allocated for the procurement of drones whereas an additional R6.5 million in 2023/24 is for training drone operator pilots which will contribute to an e-Security network which enables the availability of face recognition technology and surveillance cameras in the identified hotspot areas in the Gauteng Province.
4. In addition, R65.9 million in 2023/24 and R197.7 million over the 2023 MTEF is allocated towards the continuous implementation of the Gender Based Violence and Femicide strategic plan. Plans are in place to have a fully functional and established Gauteng Provincial Command and Control Centre which will have fully functional surveillance cameras and drones of which R11.8 million is allocated in 2023/24 and R23.6 million over the 2023 MTEF.

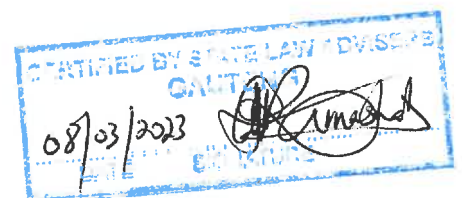


C.11. Gauteng Department of Agriculture and Rural Development

1. The Department receives R1.1 billion in 2023/24 and R3.3 billion over the MTEF to respond to amongst others, the GGT2030 elevated priorities of accelerating economic recovery and promoting health and wellness particularly within townships, informal settlements, and hostels. A total of R22 million in 2023/24 and R67.6 million over the 2023 MTEF is allocated towards upscaling the Bontle ke Botho Programme and coordinating various clean-ups in the province specifically targeting the townships, informal settlements, and hostels. This total budget also funds the appointment of EPWP participants and training of youth in food production programmes as part of the rehabilitation programme.
2. A total allocation of R194. 9 million in 2023/24 and R667.4 million over the 2023 MTEF is for supporting township businesses through commercialising agro-processors, upscaling support to agri-businesses, finalising plans for the Obert Mthombeni agri-park, finishing construction at other agri-parks, and upscaling the support of subsistence producers and smallholder producers with agriculture food production initiatives to produce food in the townships, informal settlements, and hostels.
3. A total of R17 million in 2023/24 and R21 million over the 2023 MTEF is allocated towards reducing factors that contribute to climate change through the procurement of waste receptacles, the support waste recycling facilities, and the support of buy-back centres. Furthermore, R64 million in 2023/24 and R154.1 million over the 2023 MTEF is allocated for the planting of trees to promote urban greening, green lungs and effect carbon sequestration within the province including townships, informal settlements, and hostels.
4. To contribute to food security, R65.5 million in 2023/24 and R179. 4 million over the 2023 MTEF is allocated for the development of vegetable gardens, hydroponic structures, poultry, and other farming activities in the informal settlements in the five districts.

C.12. Gauteng Department of Sport, Arts, Culture and Recreation

1. The Department receives R1.1 billion in 2023/24 accumulating to R3.5 billion over the MTEF in creating a diverse socially cohesive society with a common national identity, transformed, capable and professional sport, arts, and cultural sector. The elevated GGT2030 prioritises

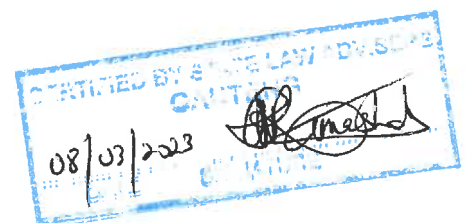


integrated and accessible sport, arts, and cultural infrastructure services such as libraries and sporting facilities in townships to inculcate a culture of reading and host some international events.

2. The Department through strategic partnerships, bid for and host national and international sport, arts, and culture events such as Professional Boxing, Westrand Marathon, Soweto Marathon within townships through an allocation of R62.3 million in 2023/24 and R184.9 million over the MTEF.
3. In increasing participation by no-fee paying schools in townships through sport, arts, and culture programmes, R21.6 million in 2023/24 accumulating to R65.1 million over the MTEF is made available. Learners participating in school sport and Gauteng-based athletes and will be recognised through the hosting of the Annual Gauteng Sport Awards in townships following the successful hosting of the Gauteng Sports Awards in Soshanguve in the year 2022. The Gauteng Sports Awards receives R8 million in 2023/24 and R21.2 million over the MTEF.
4. In ensuring integrated and accessible sporting facilities in townships, R5.8 million and R41 million over the MTEF is allocated to the development of combi courts. Furthermore, R21.2 million in 2023/24 and R118.4 million over the MTEF is allocated for construction of community libraries in townships. The feasibility study of a Soccer Museum in Gauteng in 2023/24 receives R1 million.

C.13. Gauteng Department of e-Government

1. The Gauteng Department of e-Government is allocated R1.7 billion in 2023/24, which accumulates to R5.2 billion over the MTEF, to work towards modernising the provincial ICT infrastructure and government services.
2. An amount of R478.8 million in 2023/24 and total of R1.4 billion over the MTEF is allocated to the Gauteng Broadband Network. To expand Wi-fi hotspots in all townships to a projected three hundred sites, R5 million is made available in the 2023/24 financial year and a total of R66.6 million over the MTEF. Furthermore, an amount of R50 million in 2023/24 or R130



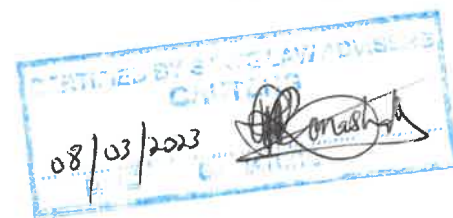
million over the MTEF is allocated for the installation of Close Circuit Television (CCTV) cameras in township areas.

C.14. Gauteng Provincial Treasury

1. The Gauteng Provincial Treasury receive R818.5 million in 2023/24 and R2.5 billion over the MTEF to lead provincial departments towards fiscal prudence and good governance in the delivery of services to Gauteng citizens.
2. To provide capacity support for the timely planning and delivery of infrastructure projects in the Gauteng Province, R15.5 million is allocated over MTEF. Revenue enhancement initiatives that will assist with funding for service delivery programmes is allocated R4 million in the 2023/24 financial year.
3. An amount of R19 million is set aside for the implementation of support interventions to improve Local Government financial management practices at delegated municipalities for 2023/24. Furthermore, R8 million is allocated to provide further capacity support to the internal audit function to ensure an improvement in internal controls as part of the campaign to fight corruption. An amount of R4 million has been allocated to implement a price data analysis system as part measures to curb excessive pricing in government procurement. The Gauteng Infrastructure Financing Agency has been engaged to assist with the development of the required business cases for the establishment of the State-owned bank and State-owned pharmaceutical company, estimated to cost R8 million. GIFA will also be assisting with the provincial response to the electricity supply crisis. GIFA is funded with R63m for the 2023/24 financial year for all its operational requirements.

C.15. Gauteng Department of Infrastructure Development

1. The Gauteng Department of Infrastructure Development receives R3.3 billion in 2023/24 and R10 billion over the MTEF for the GGT 2030 elevated priorities of accelerating economic recovery and completing infrastructure projects.
2. The Department intends to reduce youth unemployment through various job creation interventions such as the National Youth Service Programme which receives R105 million in



2023/24 and R330 million over the MTEF, the National Schools and Health Maintenance Programme which receives R12.5 million in 2023/24 and R41.2 million over the MTEF as well as Expanded Public Works Programme (EPWP) Maintenance Programme which receives R12.9 million in 2023/24 and R423 million over the MTEF. The Routine Roads Maintenance Programme receives R24 million in 2023/24.

3. The Department's budget also supports the accelerated delivery of smart public infrastructure, focusing on completing infrastructure projects. To provide provincial office accommodation to user departments a budget of R500 million in 2023/24 and R1.7 billion over the MTEF is allocated.

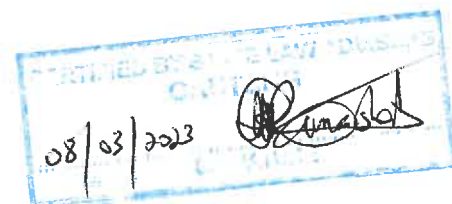
IV. PROVINCIAL FISCAL FRAMEWORK

A. Provincial Revenue

Table 1: Provincial revenue envelope

R thousand	Medium term estimates		
	2023/24	2024/25	2025/26
Transfers from national	148 189 219	153 289 093	160 235 244
Equitable share	120 752 475	125 437 722	131 095 406
Conditional grants	27 436 744	27 851 371	29 139 838
Provincial own receipts	7 622 407	8 019 440	8 379 192
Total provincial receipts	155 811 626	161 308 533	168 614 436
Direct charges	(85 090)	(97 212)	(101 458)
Provincial financing	3 218 545	3 573 423	1 190 977
Total revenue	158 945 081	164 784 744	169 703 955

1. Table 1 depicts that the province receives R148.2 billion in 2023/24 in the form of transfers from the national government, which is comprised of equitable share and conditional grants. This total amount grows to R160.2 billion in the outer year of the MTEF.
2. Provincial Equitable Share (PES) is at R120.8 billion in the 2023/24 and growing by an annual average rate of 4.5 per cent in the outer years of the MTEF thus accumulating to R131.1 billion in 2025/26. This growth in PES takes into account the impact of data changes, additions to the



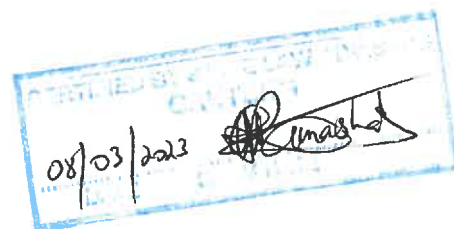
baselines to fund policy priorities within the health and education departments and the carry-through effect of the provisional 3 per cent wage increase for public servants.

3. Regarding the provincial conditional grant allocation which accounts for an average of 18 per cent of total transfers from national, additions were made to certain conditional grants for policy imperatives in education and transport departments.
4. Provincial own receipts account for 5 per cent of the gross revenue available for the province to appropriate for its spending requirements. The direct charges against the Provincial Revenue Fund are for the remuneration of public office bearers in line with the relevant legislative prescripts.
5. Provincial Financing stands at R3.2 billion in 2023/24 and R3.6 billion in 2024/25 and R1.2 billion in 2025/16 and represents funding secured by the province to ensure that the budget baselines of departments are funded to respond to the GGT2030 priorities including the five elevated priorities to the end of the term. Provincial Financing decreases to R1.2 billion in 2025/26 due to marginal budget baseline growth to sustain public finances.

B. Conditional grants

Table 2: Summary of conditional grants by Vote

Department/Grant	Medium-term estimates		
	2023/24	2024/25	2025/26
R thousand			
Health	13 891 408	14 253 776	14 892 345
District Health Programmes Grant	5 793 999	6 054 204	6 325 432
<i>Comprehensive HIV, AIDS Component</i>	5 259 071	5 495 253	5 741 440
<i>District Health Component</i>	534 928	558 951	583 992
Health Facility Revitalisation Grant	1 116 750	1 070 959	1 118 938
National Health Insurance Grant	92 947	91 370	95 463
National Tertiary Services Grant	4 988 103	5 212 116	5 445 619
Human Resources & Training Grant	1 879 547	1 825 127	1 906 893
<i>Statutory Human Resources Component</i>	897 055	798 520	834 294
<i>Training Component</i>	982 492	1 026 607	1 072 599
EPWP Integrated Grant for Provinces	1 971		



Social sector EPWP Integrated Incentive Grant for Provinces	18 091		
Education	3 743 238	3 807 745	4 018 852
ECD Function shift: Early Childhood Development Grant	246 963	303 450	376 719
Maintenance component	10 092	6 095	6 178
Subsidy Component	236 871	297 355	370 541
Education Infrastructure Grant	2 256 620	2 229 207	2 301 541
HIV and Aids (Life Skills Education) Grant	36 385	37 986	39 688
National School Nutrition Programme Grant	1 094 224	1 135 802	1 195 515
Maths, Science and Technology Grant	60 778	63 572	66 419
Learners with Profound Intellectual Disabilities Grant	36 000	37 728	38 970
EPWP Integrated Grant	2 735		
Social sector EPWP Integrated Incentive Grant for Provinces	9 533		
Social Development	22 444		
Social Sector EPWP Incentive Grant	22 444		
Cooperative Governance and Traditional Affairs	1 960		
EPWP Integrated Grant	1 960		
Human Settlements	5 363 822	5 593 177	5 843 752
Human Settlements Development Grant (HSDG)	4 125 835	4 311 126	4 504 265
Informal Settlements Upgrading Partnership Grant for Provinces	1 226 949	1 282 051	1 339 487
EPWP Integrated Grant	11 038		
Roads and Transport	3 947 680	3 729 053	3 896 116
Provincial Roads Maintenance Grant	1 092 661	750 123	783 730
Public Transport Operations Grant	2 850 898	2 978 930	3 112 386
EPWP Integrated Grant for Provinces	4 121		
Community Safety	5 057	4 121	
Social sector EPWP Integrated Incentive Grant for Provinces	5 057		
Agriculture and Rural Development	149 880	152 729	159 572
Comprehensive Agricultural Support Programme Grant	103 014	107 641	112 463
Ilima/Letsema Projects Grant	37 885	39 587	41 361
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 360	5 501	5 748
EPWP Integrated Grant	3 621		
Sport, Arts, Culture and Recreation	301 249	314 891	329 201
Community Library Services Grant	176 522	184 360	192 619
Mass Sport and Recreation Participation Programme Grant	124 727	130 531	136 582
Infrastructure Development	10 006		
EPWP Integrated Grant	10 006		
Total Conditional Grants by Vote	27 436 744	27 851 371	29 139 838

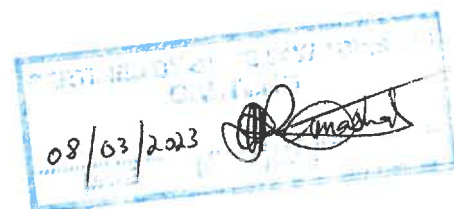


Table 2 provides a summary of the conditional grant allocation of provincial departments over the MTEF. Conditional grants increase from R27.4 billion in 2023/24 to R29.1 billion in 2025/26.

B.1. Early Childhood Development Grant

Following the ECD function shift from the Gauteng Department of Social Development to the Gauteng Department of Education, additions have been made to this grant in ensuring the expansion of early childhood development services. These additions to the ECD grant were made to increase the number of children accessing the early childhood development subsidy, provide pre-registrations support to early childhood development centres, and to pilot a nutrition support programme and a results-based service delivery model.

B.2. Education Infrastructure Grant

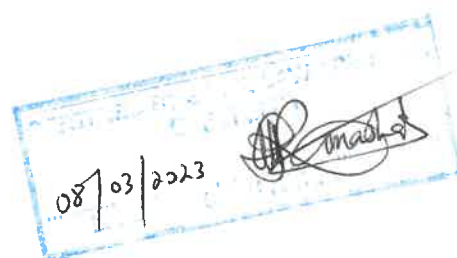
This grant increases by R1.5 billion over the MTEF through the Budget Facility for Infrastructure (BFI) for the implementation of the Gauteng Schools programme.

B.3. National School Nutrition Programme Grant

Funds have been added to this grant in ensuring that meals provided to learners meet the nutritional requirements.

B.4. Provincial Roads Maintenance Grant

To incentivize comprehensive road maintenance planning, and to improve the road network, funds were added to this grant for the province to address its rehabilitation needs as per the road maintenance prioritization model. The allocation complements the 25 per cent already allowed for rehabilitation in the grant and funds the backlog in the refurbishment of Gauteng provincial roads.

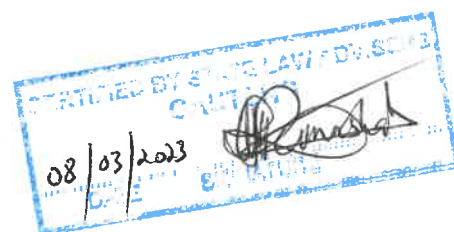


C. Provincial own receipts

Table 3: Summary of provincial own receipts by Vote

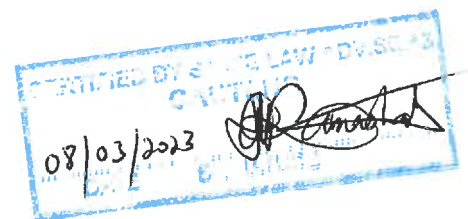
R thousand	Medium-term estimates		
	2023/24	2024/25	2025/26
Office of the Premier	390	407	425
Economic Development	1 240 418	1 338 748	1 398 723
Health	562 433	587 937	614 276
Education	40 951	42 789	44 976
Social Development	4 386	4 584	4 790
Cooperative Governance and Traditional Affairs	398	416	445
Human Settlements	949	991	1 036
Roads and Transport	5 005 843	5 228 838	5 463 038
Community Safety	45 816	47 873	50 018
Agriculture, Rural Development and Environment	15 863	16 811	17 816
Sport, Arts, Culture and Recreation	394	411	429
e-Government	812	865	904
Gauteng Provincial Treasury	670 898	714 439	746 447
Infrastructure Development	32 856	34 331	35 869
Total provincial own receipts	7 622 407	8 019 440	8 379 192

1. Table 3 above summarises provincial own revenue collection estimates over the 2023 Medium Term Revenue Framework (MTRF). The total provincial own revenue collection is expected to increase from R7.6 billion in 2023/24 to R8 billion in 2024/25 and R8.3 billion in 2025/26, representing an average growth rate of 5.1 per cent a year over the 2023 MTRF.
2. Provincial own revenue is generated mainly by the Gauteng Departments of Roads and Transport, Economic Development, Health and Treasury through the collection of motor vehicle licensing fees, gambling taxes, health patient fees and earning interest on provincial reserves respectively.
3. The total revenue to be collected by Gauteng Departments of Roads and Transport amounts to R5 billion in 2023/24, increasing to R5.2 billion in 2024/25, and R5.5 billion in 2025/26 which is an average growth rate of 4.1 per cent per annum over the 2023 MTRF. Motor vehicle license fees is the main revenue source for the Department, contributing approximately 65 per cent to the total provincial own revenue. Revenue estimates for the Department are driven by the motor vehicle population which stand at 5 079 795 as at September 2022. The Departments' model



for estimating provincial own revenue takes into consideration the Consumer Price Index (CPI) and other determining factors. The road traffic regulation amendment tariff fee review is also considered in the estimation of previous and current performance.

4. The Department is the principal party in the provision of motor vehicle license functions, uses agencies such as municipalities, the South African Post Office as well as the Road Management Traffic Corporation (RTMC) with municipalities collecting the most revenue for the Department.
5. Gauteng Department of Economic Development contributes the second largest share to provincial own revenue through its gambling taxes. Gambling tax revenue includes casino and horse racing taxes which are the second largest revenue streams and contribute 16 per cent to the revenue collected in the province. The total revenue projected to be collected by the Gauteng Department of Economic Development amounts to R1.2 billion in 2023/24, increasing to R1.3 billion in 2024/25, and R1.4 billion in 2025/26, which presents an average growth rate of 6.4 per cent per annum over the 2023 MTRF. The Department uses previous financial year performance to project for revenue. The total number of gambling establishments, the amount collected less tax and commission fees are also taken into consideration in revenue projections.
6. Gauteng Department of Health projects revenue collection of R562.4 million in 2023/24, R587.7 million in 2024/25 and R614.3 million in 2025/26, which represents an average growth rate of 6.3 per cent per annum over the 2023 MTRF. The Gauteng Department of Health contributes 7 per cent to the total revenue collected in the province, and the collection of patient fees is the main revenue source for the Department. The charges for patient fees are informed by the Uniform Patient Fee Structure (UPFS) which is determined by the National Department of Health. To improve collection, the Department appointed a service provider to assist with the submission of claims to the RAF in ensuring that all the requirements are met for the successful payment by the RAF.
7. The total revenue to be collected by Gauteng Provincial Treasury (GPT) amounts to R670 million in 2023/24, increasing to R714.4 million in 2024/25, and R746.4 million in 2025/26. Interest revenue is guided by an investment policy that focuses on preservation. Investment



instruments are required to be in investment transactions that avoid losses. Treasury plans to unlock additional financial gain through effective cash management beyond the fixed deposits placed with commercial banks, to earn additional interest income, and realise cost savings through enhanced operational efficiencies. The GPT also plans to optimise short- and long-term investments and borrowing practices as well as maintain good relationships with banks and other lenders.

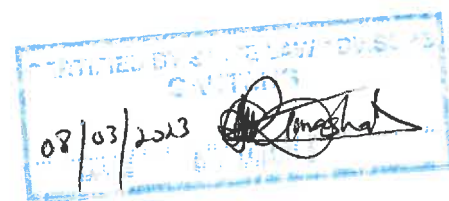
8. Two percent of the total own revenue provincial collection come from the Gauteng Departments of Infrastructure Development, Agriculture, Rural Development and Environment, Education and Community Safety over the 2023 MTRF.

D. 2023 MTEF Budget Allocations

Table 4: Summary of payments and estimates by Vote

R thousand	Medium-term estimates		
	2023/24	2024/25	2025/26
Office of the Premier	886 081	849 730	754 486
Gauteng Provincial Legislature	857 061	847 866	872 882
Economic Development	1 860 185	1 867 294	1 605 540
Health	60 093 535	62 728 106	65 021 009
Education	63 421 638	64 946 182	67 660 072
Social Development	5 550 806	5 682 376	5 866 041
Cooperative Governance and Traditional Affairs	639 686	608 825	630 660
Human Settlements	6 421 222	6 851 987	7 141 098
Roads and Transport	8 478 597	9 638 134	9 175 243
Community Safety	2 706 192	2 422 555	2 511 644
Agriculture, Rural Development and Environment	1 066 204	1 107 694	1 162 984
Sports, Arts, Culture and Recreation	1 089 937	1 188 566	1 260 578
e-Government	1 744 202	1 746 811	1 735 401
Gauteng Provincial Treasury	818 465	850 526	886 339
Infrastructure Development	3 311 270	3 448 092	3 419 978
Total provincial estimates	158 945 081	164 784 744	169 703 955

Table 4 above shows the total budget appropriated for the province over the medium term, with R158.945 billion allocated in 2023/24, growing by an annual average rate of 3 per cent over the two outer years, thus accumulating to R169.703 billion in 2025/26. The appropriated budgets of provincial departments consider transfers from national and additional funding from



the province. Compared to previous financial years, the budget of the Gauteng Department of Community Safety grows significantly over the MTEF due to additional funds earmarked for the elevated provincial priority of defeating crime, corruption, vandalism, and lawlessness.

D.1. Summary of earmarked funding (equitable share)

Table 5: Summary of equitable share additional funding (excluding infrastructure and grants)

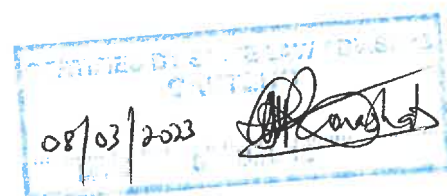
R thousand	Medium-term estimates		
	2023/24	2024/25	2025/26
Office of the Premier	165 128	116 500	
Gauteng Provincial Legislature	36 096	11 060	11 556
Economic Development	42 000		
Health	1 612 826	1 684 597	1 741 391
Education	1 314 521	1 521 856	1 729 349
Cooperative Governance and Traditional Affairs	51 000	3 000	3 000
Community Safety	1 536 177	1 229 005	1 277 264
Sports, Arts, Culture and Recreation	7 292		
e-Government	55 000	100 000	41 600
<i>\$Improvement in conditions of service (ICS)</i>	2 175 703	2 207 941	2 240 267
Total equitable share additional funding	6 995 743	6 873 959	7 044 427

D.2. Gauteng Office of the Premier

A total additional amount of R165.1 million is allocated in the 2023/24 financial year which include R142.7 million for repositioning the brand of the Gauteng Provincial Government (GPG) which will focus on townships, informal settlement, and hostels. The balance of R22.4 million is for additional capacity in the Hotline Centre, specifically 100 learners and 12 regional coordinators to manage high call volumes. Furthermore, an amount of R116.5 million is allocated to this department in the 2024/25 financial year for the continuation of the GPG brand repositioning campaign.

D.3. Gauteng Provincial Legislature

An amount of R36.1 million is allocated in 2023/24 financial year, of which R25.5 million is a once-off allocation for the space optimization project and R10.6 million for compensation of employees to align with the repositioning of the Gauteng Provincial Legislature.



D.4. *Gauteng Department of Economic Development*

An amount of R42 million is allocated for the 2023/24 financial year only, which will be used for diesel to provide additional power to the Tshwane Special Economic Zone.

D.5. *Gauteng Department of Health*

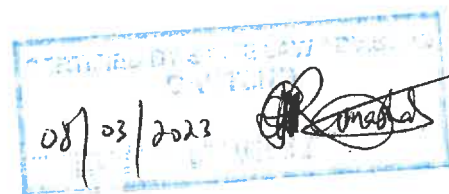
In the 2023/24 financial year, a total additional amount of R1.6 billion is allocated to the department of which R600 million is for COVID-19 posts, R762.8 million is for augmenting the goods and services' budget for the items such as, medicine, medical supplies, and consumable supplies and R250 million is for a reduction in the radiation (oncology) backlog in health facilities. The carry-through effect of the additional funding is allocated in the outer two years of the MTEF.

D.6. *Gauteng Department of Education*

In the 2023/24 financial year, a total additional amount of R1.3 billion is allocated to the department, of which R52.4 million is for scholar transport due to increased learner numbers, R21.8 million is for spending pressures under the school nutrition programme and R20.4 million is for school subsidies. The remaining amount of R1.2 billion is for a budget shortfall under compensation of employees. The carry-through effect of the additional funding is allocated in the outer two years of the MTEF.

D.7. *Gauteng Department of Cooperative Governance and Traditional Affairs*

An additional amount of R51 million is allocated in the 2023/24 financial year of which R48 million is for the implementation of revenue management strategies (larger users, billing and visibility studies and turn-around plans) in municipalities in ensuring that there is adequate systems, processes, procedures to maximise the revenue collection capacity and ensure reliable billing information and R3 million is for the implementation of the "Automation of Spatial Transformation Assessment Mechanism" (STAM) project . An amount of R3 million is allocated in each of the outer two years of the MTEF to continue the implementation of the STAM project.



D.8. *Gauteng Department of Community Safety*

An additional amount of R1.5 billion is allocated to the department in the 2023/24 financial year. Included in this amount is R991.8 million for the recruitment of an additional 6 000 crime prevention wardens, R156.3 million is for the tools of trade to be used by the crime prevention peace wardens, R21.6 million is for leasing one helicopter, R25 million is for the procurement of drones and R45 million is for the procurement of additional fleet. The remaining amount of R296.5 million is allocated only in the 2023/24 financial year and is for the once-off cost of training the crime prevention wardens estimated at R290 million as well as training the drone operator pilots estimated at R6.5 million. In the outer two years of the MTEF, funds are allocated for the carry-through effect of remunerating the additional 6 000 crime prevention wardens, procurement of tools of trade for the crime prevention wardens, drones, additional fleet and for the leasing of helicopters all of which is being procured in a phased-in approach.

D.9. *Gauteng Department of Sport, Arts, Culture and Recreation*

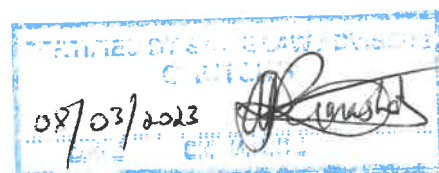
An amount of R7.2 million in 2023/24 is a reallocation of funds for the Tri-colour games in Italy which was previously surrendered by the department due to the postponement of this event amidst COVID-19 restrictions.

D.10. *Gauteng Department of e-Government*

A total additional amount of R55 million is allocated to the department for the 2023/24 financial year which includes R5 million for the expansion of Wi-Fi hotspots in all townships and R50 million is for the installation of Close Circuit Television (CCTV) cameras in townships, informal settlements, and hostels within the province. The allocation for the expansion of Wi-Fi hotspots amounts R50 million in 2024/25 and R11.6 million in 2025/26 whereas the allocation for the CCTV cameras is R50 million in 2024/25 and R30 million in the 2025/26 financial year.

D.11. *Other*

The additional allocation is made available to cover the carry-through effect of the provisional 3 per cent wage increase in compensation of employees, as announced by the Minister to all provincial departments excluding the Gauteng Provincial Legislature that received funding for performance bonuses as explained above.

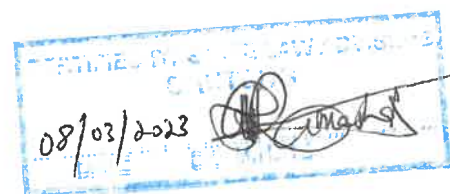


V. SUMMARY OF GPG INFRASTRUCTURE ALLOCATIONS

Table 6: Summary of infrastructure by Vote

R thousand	Medium-term estimates		
	2023/24	2024/25	2025/26
Economic Development	272 370	300 979	
Health	1 802 619	2 044 757	1 974 509
Education	2 463 447	2 515 302	2 587 719
Social Development	156 701	195 301	216 116
Human Settlements	5 463 822	5 861 208	6 117 144
Roads and Transport	1 777 513	2 765 277	2 069 505
Agriculture & Rural Development	23 530	46 761	62 702
Sport, Arts, Culture & Recreation	40 492	72 662	104 753
Infrastructure Development	173 661	269 622	158 570
Total Infrastructure by Vote	12 174 155	14 071 869	13 291 018

1. Over the MTEF, a total budget of R39.5 billion is allocated to infrastructure in enabling the delivery of services to the citizens of Gauteng. This infrastructure budget is funded from both conditional grants and equitable share.
2. Gauteng Department of Human Settlements, Gauteng Department of Education, Gauteng Department of Roads and Transport and Gauteng Department of Health are the four departments that receive conditional grant funding for their infrastructure programmes infrastructure allocation over the MTEF.
3. Over the 2023 MTEF, infrastructure conditional grants increased by R3 billion when compared with the 2022 MTEF allocation. This increase is mainly driven by the additional funding received through the Budget Facility for Infrastructure (BFI) for the provision of additional classroom space and by increases in the Human Settlements Development Grant.
4. Key projects to be funded over the 2023 MTEF include the provision and improvement of the basic infrastructure located in townships, informal settlements, and hostels. Some of the informal settlements that will have their basic infrastructure renovated and/or upgraded include Kwa Brown, Mamello, Piel's Farm, Thabong, Pangoville (Munsieville), Bergsig and Ratanda informal settlements as well as George Goch, Denver, Jeppe, LTA Rethabile, Kwama-Siza, Dube, Orlando, Diepkloof and Orlando West.



5. Lastly, an allocation of R573 million has been made available for the implementation of bulk infrastructure located in the Tshwane Automotive Special Economic Zone and OR Tambo International Airport Special Economic Zone.

VI. 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.

VII. ORGANISATIONAL AND PERSONNEL IMPLICATION

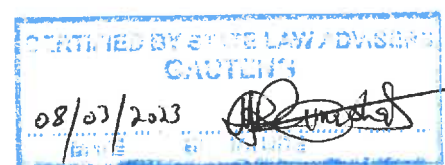
The total amount allocated for compensation of employees amounts to R91.7 billion in 2023/24, R95.9 billion in 2024/25 and R99.3 billion in 2025/26.

VIII. SOCIAL IMPACT

The allocations to provincial departments will contribute to the achievement of the province's outputs and outcomes. The Bill includes the amounts that are allocated for the GEYODI projects to support and mainstream the government's programmes that focus on gender-based violence and support the rights of women, youth, senior citizens, people with disabilities, military veterans and the LGBTIQ+ community. It also includes the amounts allocated to address femicide, gender-based violence as well as violence against women and children.

IX. FINANCIAL IMPLICATIONS

The Gauteng Provincial Main Appropriation amounts to R158.9 billion in 2023/24, R164.8 billion in 2024/25 and R169.7 billion in 2025/26. The social sector departments, i.e., Gauteng Department of Health, the Gauteng Department of Education and the Gauteng Department of Social Development receive the lion's share of the budget and collectively account for an average of 81 per cent of the total budget over the MTEF.



X. COMMUNICATION IMPLICATIONS

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

XI. 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 Gauteng Provincial Legislature pursuant to section 27(2) read with (3) and section 28(1) of the PFMA read with section 215(1) and (3) of the Constitution. The Bill is introduced pursuant to section 226(2) of the Constitution read with section 26 of the PFMA.

XII. ENVIRONMENTAL IMPACT

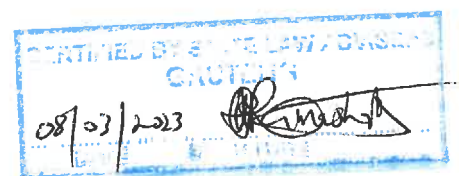
No negative impact.

XIII. OTHER DEPARTMENTS OR BODIES CONSULTED

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

XIV. IMPLICATIONS OF THE BILL FOR LOCAL GOVERNMENT

The Gauteng Provincial Main Appropriation includes the amounts that the provincial government departments will transfer to the local government to implement the programmes and projects on their behalf. The Gauteng Provincial Government publishes such information in the Provincial *Gazette* accordingly.



XV. PUBLIC PARTICIPATION

There is no public participation in the development of the Bill. However, there is public participation once the Bill goes through processes of the Gauteng Provincial Legislature after it has been tabled at the Provincial Legislature.

XVI. CLAUSE BY CLAUSE DESCRIPTION OF THE BILL

Clause 1 of the Bill contains definitions of important expressions, words, phrases, and processes. Clause 2 contains details about the appropriations for use by the province for the financial year ending 31 March 2022. 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.

