



Gauteng Province
**ADJUSTED ESTIMATES OF PROVINCIAL
REVENUE AND EXPENDITURE**
2021

ADJUSTED ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

2021/22

Gauteng Provincial Government

December 2021



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The Adjusted Estimate of Provincial Revenue and Expenditure 2021 is compiled using the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision

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LIST OF ABBREVIATIONS

| | |
|-------|--|
| AECE | Adjusted Estimates of Capital Expenditure |
| AIDS | Acquired Immunodeficiency syndrome |
| AEPRE | Adjusted Estimates of Provincial Revenue and Expenditure |
| APP | Annual Performance Plan |
| ANC | African National Congress |
| ARC | Agricultural Research Council |
| ARV | Antiretroviral Treatment |
| BAC | Budget at Completion |
| BCM | Budget Cycle Model |
| BKB | Bontle Ke Botho |
| BOL | Bank of Lisbon |
| CASP | Comprehensive Agriculture Support Programme |
| CAPEX | Capital Expenditure |
| CCS | Compulsary Community Service |
| CFO | Chief Financial Officer |
| COE | Compensation of Employees |
| COGTA | Cooperative Governance and Traditional Affairs |
| CPA | Commonwealth Parliamentary Association |
| CPA | Contract Price Adjustment |
| CPC | Child Protection Committee |
| CYCW | Child Youth Care Workers |
| CASP | Comprehensive Agricultural Support Programme |
| CDW | Community Development Workers |
| CYCCs | Child and Youth care Workers |
| DDG | Deputy Director General |
| DDI | Domestic Direct Investment |
| DG | Director General |
| DED | Department of Economic Development |
| DID | Department of Infrastructure Development |
| DLTC | Driving Licence Testing Centre |
| DMS | Delivery Management System |
| DPSA | Department of Public Service and Administration |
| DSACR | Department of Sports, Arts, Culture and Recreation |
| DQA | Data Quality Audit |
| EAP | Executive Assistance Programme |
| ECD | Early Childhood Development |
| ECE | Estimates of Capital Expenditure |
| E-Gov | Electronic Government |
| EHWP | Employee Health and Wellness Programme |
| EMS | Emergency Medical Services |
| EPWP | Expanded Public Works Programme |
| ERWAT | Ekurhuleni Water Care Company |
| EXCO | Executive Council |
| FDI | Foreign Direct Investment |
| FMDC | Fully Management Data Centre |
| GBN | Gauteng Broadband Network |
| GCRA | Gauteng City Region Academy |

| | |
|--------------|--|
| GCRO | Gauteng City Region Observatory |
| GDARD | Gauteng Department of Agriculture and Rural Development |
| GDE | Gauteng Department of Education |
| GEP | Gauteng Enterprise Propeller |
| GGDA | Gauteng Growth and Development Agency |
| GGT | Growing Gauteng Together |
| GIFA | Gauteng Infrastructure Funding Agency |
| GIS | Geographic Information System |
| GLB | Gauteng Liquor Board |
| GPG | Gauteng Provincial Government |
| GPL | Gauteng Provincial Legislature |
| GPT | Gauteng Provincial Treasury |
| GRAP | Generally Recognised Accounting Practice |
| GSF | Gauteng Speakers Forum |
| GTA | Gauteng Tourism Authority |
| GTMI | Gauteng Technical Manufacturing Initiative |
| GEPP | Government Employees Pension Fund |
| GG | Government Garage |
| | |
| HIV and AIDS | Human Immune Virus and Acquired Immune Deficiency Syndrome |
| HOD | Head of Department |
| HPTDG | Health Professions Training and Development |
| HPV | Human Papillomavirus |
| HR | Human Resources |
| HSDG | Human Settlements development grant |
| | |
| ICT | Information and Communication Technology |
| IDMS | Infrastructure Delivery Management System |
| IDP | Integrated Development Corporation |
| IDZ | Industrial Development Zone |
| IFFD | International Firefighter's Day |
| IGR | Inter-Governmental Relations |
| IT | Information Technology |
| | |
| LAN | Local Area Network |
| LDAC | Local Drug Action Committee |
| LSPID | Learners with Profound Intellectual Disability Grant |
| LTSM | Learner Teacher Support Materials |
| LGBTI | Lesbian, Gay, Bisexual, Transgender and Intersex |
| | |
| MEC | Member of Executive Council |
| MOU | Maternity and Obstetric Unit |
| MSCOA | Municipal Standard Charts of Accounts |
| MST | Mathematics, Science and Technology |
| | |
| NCOP | National Councils of Provinces |
| NCSL | National Conference of State Legislatures |
| NDHS | National Department of Human Settlements |
| NDP | National Development Plan |
| NGO | Non-Governmental Organization |
| NPI | Non-Profit Institution |
| NQF | National Qualification Framework |
| NTSG | National Tertiary Services Grant |
| | |
| OOP | Office of the Premier |
| OSD | Occupational Specific Dispensation |

| | |
|---------|--|
| OHS | Occupational Health and Safety |
| PDMC | Provincial Disaster Management Centre |
| PERSAL | Personal and Salary Administration Systems |
| PSO | Programme Support Operations |
| PMU | Project Management Unit |
| PMS | Performance Management System |
| POE | Portfolio of Evidence |
| PPECB | Perishable Products Export Control Board |
| PSEA | Premier's Service Excellence Awards |
| PSIRA | Private Security Industry Regulation Act |
| RCL | Representative Council of Learners |
| RDP | Reconstruction and Development Programme |
| RLRP | Rapid Land Release Programme |
| SAB | South African Breweries |
| SAIPA | South African Institute of Professional Accountants |
| SAP | System Application Programme |
| SA SAMS | South African School Administration and Management |
| SASDC | South African Supplier Development Council |
| SCM | Supply Chain Management |
| SCOA | Standard Chart of Accounts |
| SETA | Sector Education and Training Authority |
| SEZ | Special Economic Zone |
| SGB | School Governing Body |
| SITA | State Information Technology Agency |
| SLA | Service Level Agreement |
| SMS | Short Messaging Service |
| SMT | School Management Team |
| SOPA | State of Province Address |
| SSIP | Secondary School Improvement Programme |
| TB | Tuberculosis |
| TMR | Transformation, Modernisation and Re-industrialisation |
| TOR | Terms of Reference |
| TDRG | Title Deeds Restoration Grant |
| TOLABS | Transport Operating Licensing Administration Boards |
| USP | Upgrading Support Programme |
| WEP | Women Empowerment Programmes |
| WLHM | Women's Living Heritage Monument |

SUMMARY OF ADJUSTMENTS FOR 2021/22

1. Adjusted Estimates of Provincial Revenue and Expenditure

The Gauteng Provincial Government (GPG) implemented the provincial adjustments budget process in line with the provisions of Section 18(1)(a) of the Public Finance Management Act (Act No. 1 of 1999) to facilitate the compilation of the 2021/22 provincial adjustments budget according to the provisions of Section 31 of the PFMA. The provincial adjustments budget revises and adjusts the 2021/22 provincial main budget that the Gauteng Member of Executive Council (MEC) for Finance tabled at the Gauteng Provincial Legislature on the 11 March 2021.

The GPG revises the estimates of provincial revenue and expenditure by appropriating funds to provide for the priorities of government, unforeseeable and unavoidable expenditure, the utilisation of savings under one main division to defray excess expenditure in another main division and the rollover of unspent funds from the preceding financial year.

The province uses this process to align the provincial budget with adjustments emanating from the national government as part of fiscal consolidation programme and interventions to boost the domestic economy. These adjustments continue to focus on the programmes that are vital to support medium-term recovery such as the Economic Reconstruction and Recovery Plan. The GPG continues to implement key interventions outlined in the Medium-Term Strategic Framework (MTSF) 2019-2024 and the revised GGT2030 Plan.

Whilst this budget is prepared to meet the requirements of the province, the prevailing socio-economic situation has been considered during the budget preparation. The 2021/22 adjustments budget is prepared in an economic environment where the global economy, especially the advanced economies, has adjusted to the pandemic and economic activity is starting to normalise, following the ramifications of COVID-19. Global prospects for 2022 have strengthened mainly due to a stronger recovery in the advanced economies amid the fast pace of the vaccine rollout and the sizeable fiscal stimulus from the United States (US) economy. Global economic growth for 2022 is estimated at 4.9 per cent.

In relation to South Africa the seasonally adjusted real Gross Domestic Product (GDP) grew by 1.2 per cent quarter-on-quarter in the second quarter of 2021. This increase follows a revised 1 per cent rise in real GDP in the first quarter of 2021 and is the fourth consecutive increase in GDP since the third quarter of 2020. However, the economy is still about 1.4 per cent smaller than what it was pre-COVID-19, in the first quarter of 2020. For the first half of the year, growth was up by 7.5 per cent from the same period a year ago. The unrest which took place in July will most likely result in a lower growth rate in the third quarter of 2021, with the festive season likely to lead to an increase in the rate again in the fourth quarter.

In the second quarter of 2021, the GDP for Gauteng increased by 1.2 per cent which is marginally higher than the 1.1 per cent rise in GDP recorded in the previous quarter. However, the province's economy is also still about 1.4 per cent smaller than what it was pre-COVID-19. The unrest that happened in July remains a major risk to economic growth in the near term, along with the pace at which the population is vaccinated. The National Treasury forecasts growth to average 3.3 per cent in 2021, and there is optimism that the domestic economy will benefit particularly from the favourable global economic forecasts.

The details of the adjustments are explained in the sections below.

2. Summary of the 2021 Adjusted Estimates of Provincial Receipts

2.1 Provincial receipts

TABLE 1: SUMMARY OF CHANGES TO RECEIPTS

| R thousand | Main Appropriation 2021/22 | Adjustments | | Total Adjustments | Adjusted appropriation |
|--|-------------------------------|------------------|-----------------------|-------------------|------------------------|
| | | National funding | Provincial funding | | |
| Equitable Share | 111 429 473 | 4 191 687 | | 4 191 687 | 115 621 160 |
| Conditional Grants | 24 968 441 | 801 079 | | 801 079 | 25 769 520 |
| Transfers from National | 136 397 914 | 4 992 766 | | 4 992 766 | 141 390 680 |
| Provincial Own Receipts | 6 975 646 | | 8 605 | 8 605 | 6 984 251 |
| Gross Receipts | 143 373 560 | 4 992 766 | 8 605 | 5 001 371 | 148 374 931 |
| Less: Direct charges - Political Office bearers | (81 107) | | (4 966) | (4 966) | (86 073) |
| Total Receipts | 143 292 453 | 4 992 766 | 3 639 | 5 005 010 | 148 288 858 |
| Financing from Province | | | 1 288 228 | 1 288 228 | 1 288 228 |
| Provincial Financing | | | 1 288 228 | 1 288 228 | 1 288 228 |
| Net Receipts | 143 292 453 | 4 992 766 | 1 291 867 | 6 284 633 | 149 577 086 |

The provincial receipts increase from R143.3 billion to R148.3 billion. The increase of R5 billion includes R4.2 billion in provincial equitable share and R801.1 million in conditional grants. The upward adjustment to the provincial equitable share is allocated specifically for the implementation of the Presidential Youth Employment Initiative and the wage agreement of the Public Service Coordinating Bargaining Council for the 2021/22 financial year as explained below:

Of the total amount of 4.2 billion, R1.2 billion is allocated to the Gauteng Department of Health, the Gauteng Department of Education, and the Gauteng Department of Social Development for the Presidential Youth Employment Initiative to fund specifically the following job creation interventions:

- **Gauteng Department of Health:** R74.6 million is for the employment of staff and assistant nurses who will fulfil the responsibilities required in the COVID-19 vaccination programme, COVID-19 wards, high care units, observing patients and performing other duties that are in line with their work.
- **Gauteng Department of Education:** R1.1 billion is for the purposes of employing education assistants and general school assistants at public ordinary and public special schools.
- **Gauteng Department of Social Development:** R43.7 million is for the purpose of appointing social workers as part of addressing the backlog of unemployed social worker graduates.

The remaining R2.8 billion increase in the provincial equitable share is allocated to the Gauteng Department of Health, the Gauteng Department of Education and the Gauteng Department of Agriculture and Rural Development to fund the implementation of the non-pensionable cash subsidy for all employees on salary levels 1-12 and the 1.5 per cent pay progression for those who would not ordinarily be eligible for this progression, as per the 2021/22 public sector wage agreement.

The upward adjustment of R801 million in conditional grants is for the roll-over of unspent funds from the previous financial year and additions for specific purposes.

The direct charges increase by R5 million from R81.1 million to R86.1 million to refund the gratuity payments made to existing and former members of provincial legislature. The direct charges against the Provincial Revenue Fund relate to the remuneration of public office bearers in line with the legislation.

Financing from the province increases by R1.3 billion mainly due to the earmarked budget allocations made available to specific departments.

2.2 Changes to Conditional Grants

TABLE 2: SUMMARY OF CHANGES TO CONDITIONAL GRANTS

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Health | 13 219 328 | | 406 108 | | 120 357 | | 526 465 | 13 745 793 |
| HIV, TB, Malaria and Community Outreach | 5 955 802 | | 4 493 | | 7 060 | | 11 553 | 5 967 355 |
| Health Facility Revitalisation Grant | 965 871 | | | | | | | 965 871 |
| National Tertiary Services Grant | 4 878 070 | | 356 353 | | | | 356 353 | 5 234 423 |
| Statutory Human Resources, Training and Development | 1 342 762 | | 45 003 | | 113 297 | | 158 300 | 1 501 062 |
| National Health Insurance Grant | 49 859 | | | | | | | 49 859 |
| EPWP Integrated Grant | 2 218 | | | | | | | 2 218 |
| Social Sector EPWP Integrated Grant | 24 746 | | 259 | | | | 259 | 25 005 |
| Provincial Disaster Relief Grant | | | | | | | | |
| Education | 2 678 916 | | 11 362 | | | | 11 362 | 2 690 278 |
| Education Infrastructure Grant | 1 589 208 | | | | | | | 1 589 208 |
| HIV and Aids (Life Skills Education) Grant | 36 464 | | | | | | | 36 464 |
| National School Nutrition Programme Grant | 958 730 | | 10 000 | | | | 10 000 | 968 730 |
| Maths, Science and Technology Grant | 58 811 | | | | | | | 58 811 |
| Learners with Profound Intellectual Disabilities Grant | 33 156 | | 1 362 | | | | 1 362 | 34 518 |
| EPWP Integrated Grant | 2 547 | | | | | | | 2 547 |
| Social Sector EPWP Integrated Grant | | | | | | | | |
| Social Development | 170 643 | | 77 763 | | 25 623 | | 103 386 | 274 029 |
| Early Childhood Development Grant | 152 107 | | 77 763 | | 25 623 | | 103 386 | 255 493 |
| Social Sector EPWP Incentive Grant | 18 536 | | | | | | | 18 536 |
| Cooperative Governance and Traditional Affairs | 2 037 | | | | | | | 2 037 |
| EPWP Integrated Grant | 2 037 | | | | | | | 2 037 |
| Human Settlements | 4 942 660 | | 61 704 | | | | 61 704 | 5 004 364 |
| Integrated Housing and Human Settlement Development Grant | 3 824 974 | | 60 278 | | | | 60 278 | 3 885 252 |
| Title Deeds Restoration Grant | | | 1 426 | | | | 1 426 | 1 426 |
| Informal Settlements Upgrading Partnership Grant for Provinces | 1 109 179 | | | | | | | 1 109 179 |
| EPWP Integrated Grant | 8 507 | | | | | | | 8 507 |
| Roads and Transport | 3 519 022 | | 94 476 | | | | 94 476 | 3 613 498 |
| Provincial Roads Maintenance Grant | 767 135 | | | | | | | 767 135 |
| Public Transport Operations Grant | 2 742 249 | | 94 476 | | | | 94 476 | 2 836 725 |
| Agriculture and Rural Development | 143 531 | | 1 791 | | | | 1 791 | 145 322 |
| Comprehensive Agricultural Support Programme Grant | 99 113 | | 1 791 | | | | 1 791 | 100 904 |
| Ilima/Letsema Projects Grant | 36 459 | | | | | | | 36 459 |
| Land Care Programme Grant: Poverty Relief and Infrastructure Development | 5 016 | | | | | | | 5 016 |
| EPWP Integrated Grant | 2 943 | | | | | | | 2 943 |
| Sport, Arts, Culture and Recreation | 273 316 | | 1 895 | | | | 1 895 | 275 211 |
| Community Library Services Grant | 167 899 | | 1 087 | | | | 1 087 | 168 986 |
| Mass Sport and Recreation Participation Programme Grant | 102 018 | | 808 | | | | 808 | 102 826 |
| EPWP Integrated Grant | 1 960 | | | | | | | 1 960 |

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Social Sector EPWP Incentive Grant | 1 439 | | | | | | | 1 439 |
| Infrastructure Development | 18 988 | | | | | | | 18 988 |
| EPWP Integrated Grant | 18 988 | | | | | | | 18 988 |
| Total changes in conditional grants | 24 968 441 | | 655 099 | | 145 980 | | 801 079 | 25 769 520 |

The table above presents an increase of R801.1 million to the conditional grants allocation for the 2021/22 financial year. Adjustments to the conditional grants are as follows:

Gauteng Department of Health: R526.5 million

The HIV, TB, Malaria and Community Outreach Grant increases by a total of R11.5 million due to roll-overs approved by national as well as additions to the grant. The total increase comprises of a R4.5 million roll-over of unspent funds from the previous financial year for commitments on the procurement of community health workers' uniforms. A further R7 million is added to appoint mental health care professionals. These funds were converted from the Personal Services Component of the National Health Insurance Indirect Grant to the Mental Health Component of this grant.

A total of R356.3 million is rolled over from National Tertiary Services Grant and R45 million from Statutory Human Resource Training and Development Grant for the payment of commitments on the procurement of machinery and equipment in the previous financial year. A further amount of R113.2 million is added to make provision for the employment of additional medical interns in various hospitals through the Statutory Human Resources component. An amount of R259 000 is also approved under Social Sector EPWP Incentive Grant for the payment of commitments related to training provided in the 2020/2021 financial year.

Gauteng Department of Education: R11.4 million

A total amount of R11.4 million is rolled over from the previous financial year to settle outstanding invoices and commitments. This amount includes R10 million for the National School Nutrition Programme Grant and R1.4 million for the Learners with Profound Intellectual Disabilities Grant.

Gauteng Department of Social Development: R103.4 million

An amount of R77.8 million is rolled over from the previous financial year for the employment risk support for ECD practitioners, social workers and support staff employed at ECD centres as part of Presidential Youth Employment Intervention.

Furthermore, the subsidy component of the ECD Grant is allocated an additional funding of R25.6 million, which will be used to support the registered unfunded ECD services which have not benefitted from any departmental funding. The areas that will be covered includes unemployment risk support of related workers and a top-up to already existing ECD workers to take on compliance support duties.

Gauteng Department of Human Settlements: R61.7 million

The department received approval from National Treasury for the roll-overs amounting to R61.7 million of which R60.2 million is for Human Settlements Development Grant and R1.4 million is for Tittle Deeds Restoration Grant to cater for outstanding invoices and commitment on projects from the previous financial year.

Gauteng Department of Roads and Transport: R94.5 million

An amount of R94.5 million is rolled over to settle outstanding claims from bus operators for the previous financial year.

Gauteng Department of Agriculture and Rural Development: R1.8 million

The department receives an amount of R1.8 million as a roll-over for the Comprehensive Agricultural Support Programme Grant to cover expenditure relating to the procurement of laptops, screens, rugged devices, and protective clothing for agricultural extension officers.

3. Summary of the 2021 Adjusted Estimates of Provincial Expenditure

3.1 Changes to Provincial Payments by Vote

TABLE 3: CHANGES TO PROVINCIAL PAYMENTS BY VOTE

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Office of the Premier | 714 423 | | 137 700 | | | 14 900 | 152 600 | 867 023 |
| Gauteng Provincial Legislature | 791 064 | | | | | 4 644 | 4 644 | 795 708 |
| Economic Development | 1 561 763 | | 20 736 | | | 200 412 | 221 148 | 1 782 911 |
| Health | 56 505 266 | | 667 039 | | 1 876 421 | 576 784 | 3 120 244 | 59 625 510 |
| Education | 53 458 053 | | 472 505 | | 2 369 715 | 378 000 | 3 220 220 | 56 678 273 |
| Social Development | 5 882 786 | | 158 585 | | 69 303 | 37 883 | 265 771 | 6 148 557 |
| Cooperative Governance and Traditional Affairs | 581 696 | | 10 376 | | | | 10 376 | 592 072 |
| Human Settlements | 5 912 132 | | 73 994 | | | | 73 994 | 5 986 126 |
| Roads and Transport | 8 680 417 | (207 396) | 94 476 | | | | (112 920) | 8 567 497 |
| Community Safety | 962 280 | | 10 400 | | | 8 273 | 18 673 | 980 953 |
| Agriculture and Rural Development | 1 016 225 | (11 590) | 17 948 | | 22 228 | | 28 586 | 1 044 811 |
| Sport, Arts, Culture and Recreation | 1 066 393 | (42 435) | 1 895 | | | | (40 540) | 1 025 853 |
| E-Government | 1 404 533 | | 55 209 | | | 79 200 | 134 409 | 1 538 942 |
| Gauteng Provincial Treasury | 754 845 | (79 300) | | | | | (79 300) | 675 545 |
| Infrastructure Development | 3 260 931 | (58 433) | 46 522 | | | | (11 911) | 3 249 020 |
| Total | 142 552 806 | (399 154) | 1 767 385 | | 4 337 667 | 1 300 096 | 7 005 994 | 149 558 801 |

Gauteng Office of the Premier: R152.6 million increase

The budget of the Office of the Premier increases by R152.6 million from R714.4 million to R867 million. The increase is for the transfer payments to the duly appointed Executors and Administrators/ Curators in respect of the remaining 50 per cent of the claims for the acutely-ill mental healthcare users.

Gauteng Provincial Legislature: R4.6 million increase

The GPL's overall budget increases by R4.6 million from the main budget of R791.1 million to an adjusted budget of R795.7 million to fund the once-off cash payment of 1.5 per cent on employees' annual packages.

Gauteng Department of Economic Development: R221.1 million increase

The increase in the Department's budget is informed by the following amounts: an amount of R20.7 million that is rolled over towards the payment of inter-governmental outstanding invoices and commitments with purchase orders, awarded contracts and committed contractual obligations with service level agreements or memoranda of understanding for services rendered at the end of 2020/21 financial year; R86 million allocated to fund the Gauteng Enterprise Propeller (GEP) for contract financing to support SMMEs; and an amount of R114 million allocated for bulk infrastructure in Tshwane Automotive Special Economic Zone.

Gauteng Department of Health: R3.1 billion increase

The increase in the budget is informed by approved rollovers from the preceding financial year made up of the equitable share and conditional grants. Both rollovers are mainly for the payment of the previous financial years' commitments. The Department also receives additional funding from the national government for the appointment of health professionals through the Statutory Human Resource Training and Development; the Presidential Youth Employment Initiative to appoint health staff and assistant nurses; the implementation of 2021/22 public sector wage agreement to cover for 1.5 percent pay progression for those who would ordinarily not qualify for this progression; and the non-pensionable cash subsidy and Mental Health Services Component towards the appointment of additional mental health professionals in the department.

The Department also receives funding from the province for the provision of COVID-19 Human Resource Response and to cover the shortfall identified for fire incident infrastructure project at the Charlotte Maxeke Hospital.

Gauteng Department of Education: R3.2 billion increase

The upward adjustment of R3.2 billion is informed by the appropriation of rollovers of unspent funds from the previous financial year and provincial and national funding. The Department receives R2.4 billion from national, of which R1.3 billion

is for the current budgetary shortfall on compensation of employees because of the implementation of the 2021/22 public sector wage agreement and R1 billion for the implementation of the Presidential Youth Employment Initiative (PYEI). Furthermore, the department receives R378 million from the province for the procurement of Personal Protective Equipment (PPE). The adjustments also include the appropriation of roll-overs of unspent funds which amount to R472.5 million. This includes conditional grant rollovers of R11.4 million for National School Nutrition Programme Grant and Learners with Profound Intellectual Disabilities Grant respectively. The R461.1 million equitable share rollovers are for settling commitments from the previous financial year.

Gauteng Department of Social Development: R265.8 million increase

The increase of R265.8 million is informed by roll-overs of unspent funds from the prior financial year and additional funding from national and the province. An amount of R158.5 million is rolled over from the previous financial year to fund commitments on various programmes including the Presidential Early Childhood Development (ECD) Employment Stimulus Relief Fund, school uniform and the expansion of food relief programmes. In addition, the roll-over is for commitments on various other programmes implemented by non-profit institutions (NPIs) including, inter alia, substance abuse, HIV behavioural change, Victim Empowerment and Child and Youth Care Centres. The department receives an additional allocation of R107.1 million of which R43.6 million is for the appointment of social workers as part of addressing the backlog of unemployed social worker graduates and 25.6 million addresses the shortfall from phase 1 of the Presidential Youth Employment Initiative that sought to supplement the income of early childhood development related workers impacted by the COVID-19 pandemic. A further R37.8 million is received to augment budget for infrastructure projects which are ready for implementation.

Gauteng Department of Cooperative Governance and Traditional Affairs: R10.3 million increase

The budget is adjusted upwards by R10.3 million due to the rollover for the settlement of projects started during the previous financial year. These include projects such as the deployment of administrators at Emfuleni Local Municipality; probity auditors for open tender processes and the provision for the Gauteng Spatial Development Framework review; Gauteng City Region Planning House; Emfuleni Capital Expenditure Framework (CEF); and support to municipalities (for the compilation of Integrated Development Plans as well as for the municipal digitalization of valuation roll project).

Gauteng Department of Human Settlements: R73.9 million increase

The increase is attributed to approved rollovers of R12.3 million from the equitable share allocation for the payment of office accommodation, the Human Settlements Development Grant (HSDG) rollover of R60.2 million to cater for outstanding invoices and commitments on projects from the previous financial year. The remaining R1.4 million is a rollover of the Title Deeds Restoration Grant (TDRG) to facilitate the eradication of the title deeds backlog, ensuring that title deeds are issued upon handover of houses to beneficiaries, and to assist the department in fast tracking the distribution of title deeds.

Gauteng Department of Roads and Transport: R113 million decrease

The net decrease of R113 million in the budget is due to the surrender of R207 million for the infrastructure projects to the Provincial Revenue Fund (PRF) and the increase of R94.5 million is due to an approved rollover to ensure that the claims of bus operators are settled using the resources from the 2020/21 financial year.

Gauteng Department of Community Safety: R18.7 million increase

Of the total increase of R18.7 million, R10.4 million is unspent funds rolled over from the previous financial year and R8.3 million is an additional allocation from the province. The R10.4 million is rolled over to settle outstanding invoices emanating from the procurement of vehicles, mobile police stations and awareness sessions on community radio stations. The province allocates R8.3 million to the Department, of which R3.2 million is a reimbursement for stipends paid to patrollers on behalf of the Gauteng Department of Human Settlements, R3.8 million is for the agreement between the Department and the South African National Roads Agency Ltd (SANRAL) in relation to the provision of law enforcement agencies to enforce traffic laws. The remaining amounts of R996 995 is a reimbursement for escort services to OOP and R269 923 is a reimbursement of costs for an employee transferred from the Gauteng Provincial Treasury.

Gauteng Department of Agriculture and Rural Development: R28.6 million increase

The budget for the Department is adjusted upwards from R1.016 billion to R1.045 billion, increasing by a net amount of R28.6 million. The increase is due to the R17.9 million approved equitable share rollover to fund the following projects: supply and delivery of agriculture equipment, computer equipment, rugged device, protective clothing, research agenda projects, motor vehicles for veterinary services. The department also receives additional funding amount of R22 million for a non-pensionable cash subsidy for employees in salary level 1 to 12, whilst an amount of R11.5 million is surrendered from IDMS capacity development due to delays in implementation of projects such as the maintenance at the Marievale Bird Sanctuary Provincial Nature Reserve, construction of Fence at Abe bailey and upgrading and additions for Southern Water line at Suikerbosrand Nature Reserve.

Gauteng Department of Sport, Arts, Culture and Recreation: R40.5 million decrease

The appropriation is adjusted downward by an amount of R40.5 million. This amount comprises of a surrender of R42.4 million to the Provincial Revenue Fund and conditional grant rollovers of R1.9 million from national. The total amount of R42.4 million

is from the following programmes and projects: compensation of employees which is surrendered due to delays in filling of vacant posts, The Tri-colour Games which were postponed, the Sport Awards, the Nelson Mandela Remembrance Walk, the Premier's Social Cohesion Integrated Holiday Programme all of which were down scaled due to the COVID-19 regulations, the Provincial Archives Centre which surrenders due to delays in operationalising the archives centre. In addition, the Departments also surrenders funds due to delays in the bidding for hosting major events in the province and the heritage assets and ICT infrastructure that could not be installed at the monuments and the community libraries, respectively.

Gauteng Department of e-Government: R134.4 million increase

The R134.4 million increase is made up of a rollover of R55.2 million for the commitments on various projects from the previous financial year and R79.2 million provincial additional funding appropriated to fund provincial SAP Licences and Enterprise Support.

Gauteng Provincial Treasury: R79.3 million decrease

The unutilized R79.3 million in equitable share is for vacancies in the new approved structure that is currently being filled and these funds are surrendered to the Provincial Revenue Fund.

Gauteng Department of Infrastructure Development: R11.9 million decrease

The net decrease results from the R58.4 million surrendered to the Provincial Revenue Fund because of delayed infrastructure projects due to COVID-19 lockdown restrictions and from the increase of R46.5 million being rollovers to fund the 2020/21 financial year's commitments.

3.2 Changes to Provincial Payments by Economic Classification

TABLE 4: CHANGES TO PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current Payments | 113 684 797 | (313 600) | 601 003 | (708 627) | 3 351 402 | 1 039 504 | 3 969 682 | 117 654 479 |
| Compensation of Employees | 80 762 610 | (100 241) | 220 | 3 759 | 3 196 090 | 560 088 | 3 659 916 | 84 422 526 |
| Salaries and Wages | 70 014 679 | (88 238) | 220 | 56 494 | 3 006 532 | 560 088 | 3 535 096 | 73 549 775 |
| Social Contributions | 10 747 931 | (12 003) | | (52 735) | 189 558 | | 124 820 | 10 872 751 |
| Goods and Services | 32 922 087 | (213 359) | 600 783 | (712 397) | 155 312 | 479 416 | 309 755 | 33 231 843 |
| Interest and rent on land | 100 | | | 11 | | | 11 | 111 |
| Transfers and subsidies | 23 777 922 | (5 200) | 672 250 | 204 092 | 985 865 | 215 312 | 2 072 319 | 25 850 242 |
| Provinces and Municipalities | 1 729 175 | | | (7 223) | | | (7 223) | 1 721 952 |
| Departmental Agencies and Accounts | 3 768 188 | | | 291 656 | | 86 000 | 377 656 | 4 145 844 |
| Higher Education Institutions | 75 188 | | 1 240 | | | | 1 240 | 76 428 |
| Public Corporations and Private Enterprises | 2 941 987 | | 94 476 | 77 403 | | 114 412 | 286 291 | 3 228 278 |
| Non Profit Institutions | 9 079 429 | (5 200) | 382 130 | 215 018 | 985 865 | | 1 577 813 | 10 657 242 |
| Households | 6 183 955 | | 194 404 | (372 762) | | 14 900 | (163 458) | 6 020 497 |
| Payments for capital assets | 5 090 087 | (80 354) | 494 132 | 504 198 | 400 | 45 280 | 963 656 | 6 053 743 |
| Buildings and other Fixed Structures | 3 193 041 | (68 489) | 70 076 | (279 464) | | 37 007 | (240 870) | 2 952 171 |
| Machinery and Equipment | 1 746 897 | (6 020) | 424 056 | 393 672 | 400 | 8 273 | 820 381 | 2 567 278 |
| Heritage Assets | 13 500 | (5 595) | | (7 905) | | | (13 500) | |
| Land and Sub-Soil Assets | 104 120 | | | 406 040 | | | 406 040 | 510 160 |
| Software and other Intangible Assets | 32 529 | (250) | | (8 145) | | | (8 395) | 24 134 |
| Payments for Financial Assets | | | | 337 | | | 337 | 337 |
| Thefts and Losses | | | | 337 | | | 337 | 337 |
| Total Economic Classification | 142 552 806 | (399 154) | 1 767 385 | | 4 337 667 | 1 300 096 | 7 005 994 | 149 558 801 |

The province's current payments receive the largest increase in allocation of the provincial budget allocation. The allocation increases from R113.6 billion to R117.6 billion, a favourable adjustment of R3.9 billion. The increase of R3.9 billion is made up of surrenders to the provincial revenue fund and suspension amongst department, rollovers granted by national and provincial treasury, virements and shifts within and among programmes in different votes as well as additional funding made available to departments.

The budget for compensation of employees reflects a net increase of R3.7 billion from the main budget of R80.8 billion to R84.4 billion. The major contributing factors to the increase are the Gauteng Department of Health and the Gauteng

Department of Education which receive additional funding from the national government for the appointment of health professionals through the Statutory Human Resource Training and Development programme; the implementation of the Presidential Youth Employment Initiative (PYEI); the Presidential Youth Employment Initiative to appoint health staff and assistant nurses; the implementation of 2021/22 public sector wage agreement to cover for 1.5 percent pay progression; and the Mental Health Services Component towards the appointment of additional mental health professionals. In addition, the Gauteng Provincial Treasury surrenders to the Provincial Revenue Fund the unutilized R79.3 million from compensation of employees due to vacancies in the approved organisational structure.

There is a net decrease of R309.7 million in the budget for goods and services. The surrender of funds totalling R213.3 million to the Provincial Revenue Fund contributes to the decrease. In the funds surrender, the Gauteng Department of Roads and Transport's R207.4 million for infrastructure projects is among the key factors.

The R589 million rollover amount in goods and services is mainly for the payment of the previous financial years' commitments across all departments. The additional funding is mainly from the Gauteng Department of Education for the procurement of Personal Protective Equipment (PPE) and from the Gauteng Department of Economic Development to fund the Gauteng Enterprise Propeller (GEP) for contract financing to support SMMEs.

Various departments shift funds to ensure alignment of their budgets with spending and proper classification.

Transfers and subsidies

Although the funds surrender to the Provincial Revenue Fund initially reduces the budget for transfers and subsidies by R5.2 million, the combined effect of the rollovers, additional funding as well as virements and shifts result in a net increase of R2.1 billion. Transfers and subsidies increase from R23.7 billion to R25.8 billion. The rollovers amount to R672.2 million. This amount comprises of R132.7 million from the Gauteng Office of the Premier, which is a transfer payment to the executors and administrators / curators of the claims for acutely ill mental health care users. It also comprises of R289.5 million from the Gauteng Department of Education, which the Gauteng City Region Academy transfers to schools to pay stipends to education assistants and general school assistants placed in schools under the Presidential Youth Employment Initiative (PYEI). The Gauteng Department of Social Development rolls over the funds for commitments on various programmes implemented by non-profit institutions including, inter alia, substance abuse, HIV behavioural change, Victim Empowerment and Child and Youth Care Centres. The Gauteng Department of Human Settlements rolls over R60.2 million for the Human Settlements Development Grant and R1.4 million for the Tittle Deeds Restoration Grant to cater for outstanding invoices and commitment on projects from the previous financial year. The Gauteng Department of Roads and Transport rolls over R94.5 million to settle the claims of bus operators.

Included in virements and shifts is the amount that the Gauteng Department of Roads and Transport reprioritises from the road infrastructure programme towards Gautrain Management Agency to cover a budget shortfall for the patronage guarantee as per concessionaire agreement as well as the amount that the Gauteng Department of Human Settlements reprioritises to align the Human Settlements Development Grant with the approved departmental business plan.

The budget of Gauteng Department of Economic Development increases by R114 million allocated for the bulk infrastructure in Tshwane Automotive Special Economic Zone and R86 million allocated to the Gauteng Enterprise Propeller for contract financing to support SMMEs.

Payments for capital assets

Payments for capital assets increase mainly because of rollovers, additional funding made available as well as reprioritisation from other economic classification categories. The main allocation amounted to R5.1 billion and it increases by R963 million. The one of the main contributors to the increased allocation is the Gauteng Department of Health. This Department, through virements and shifts, increases the budget for the procurement of tools of trade for the data capturers in the Tshepo 1 million programme to support the COVID-19 vaccine rollout project; the recapitalisation of fleet services; payment of commitments on medical and allied equipment that was procured in the previous financial year; and to provide for the shortfall for the fire incident at the Charlotte Maxeke Hospital. Another main contributor is the Gauteng Department of Education that reclassifies the budget for the conversion of smart classrooms from maintenance under goods and services to upgrade and additions under buildings and other fixed structures.

4. Details of Transfers to Public and Trading Entities

4.1 Changes to transfers to Public Entities

TABLE 5: CHANGES TO TRANSFERS TO PUBLIC ENTITIES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Gautrain Management Agency | 2 410 816 | | 366 000 | | | 366 000 | 2 776 816 |
| 2. Gauteng Growth and Development Agency | 632 017 | | (42 903) | | | (42 903) | 589 114 |
| 3. Gauteng Enterprise Propeller | 219 944 | | 3 459 | | 86 000 | 89 459 | 309 403 |
| 4. Gauteng Tourism Authority | 126 465 | | (2 456) | | | (2 456) | 124 009 |
| 5. Gauteng Partnership Fund | 350 824 | | 417 576 | | | 417 576 | 768 400 |
| Total Transfers | 3 740 066 | | 741 676 | | 86 000 | 827 676 | 4 567 742 |

Through the adjustments, the provincial budget for transfers to public entities increases by R827.7 million from the main budget of R3.7 billion to the adjusted budget of R4.6 billion. These adjustments include R86 million additional earmarked funding allocated to Gauteng Enterprise Propeller (GEP) for contract financing to support SMMEs. They also include a net increase of R741.7 million from virements and shifts, as outlined below.

Gautrain Management Agency (GMA)

The Gauteng Department of Roads and Transport effected a virement of R366 million from the roads infrastructure programme to Gautrain Management Agency to cover the patronage guarantee. This amount became due because the COVID-19 pandemic reduced the number of Gautrain passengers.

Gauteng Growth and Development Agency (GGDA)

The adjusted budget for the GGDA is R42.9 million lower than the main budget of R632 million in 2021/22. The COVID-19 lockdown restrictions delayed the implementation of projects, and therefore the unused funds are redirected to fund the operational costs of the Tshwane Automotive Special Economic Zone, the infrastructure maintenance of the ORTIA Precinct 1, additional resources for GIDZ (finance, marketing, infrastructure, risk and security and enterprise development), the master plan consolidation of the West Rand/ N12 development corridor, and for the Project Management Office arrangements for the West Rand/ N12 development corridor.

Through virements, the GGDA contributes R5 million to the Gauteng Department of Economic Development (GDED) towards the GPG Broad-Based Black Economic Empowerment B-BBEE Act and local production and content regulation compliance. Compliance with the B-BBEE Act will result in the realisation of other provincial developmental objectives such as localisation, enterprise and supplier development.

Gauteng Enterprise Propeller (GEP)

The Gauteng Enterprise Propeller's budget is adjusted upwards by R89.5 million from the main appropriation of R219.9 million to an adjusted appropriation of R309.4 million. An amount of R86 million is allocated as earmarked additional funding for contract financing to support SMMEs.

A total amount of R5.3 million is shifted from GDED for the implementation of the GEP Reconfiguration and seed funding for a township waste economy partnership fund under the broader GEP-IDC platform.

Through a virement, the GEP reallocates R1.9 million from delayed projects to GDED to contribute towards the GPG B-BBEE Act and the local production and content regulation compliance.

Gauteng Tourism Authority (GTA)

The GTA's budget decreases by R2.4 million and the funds are redirected towards GDED's Economic Recovery Plan projects such as Lanseria PMO seed financing, Tshwane Automotive Special Economic Zone and Seed funding for the establishment of the construction inputs and services hub in Munsieville.

Through virements, the entity receives R3.1 million from GDED to fund the Tourism Supply function. The GTA redirects R5.5 million from the allocation for Bidding and Hosting because of cancelled events emanating from the impact of COVID-19 lockdown restrictions.

Gauteng Partnership Fund (GPF)

The Gauteng Department of Human Settlements adjusts the GPF transfers upwards from R350.8 million to R768 million. The allocation for GPF is revised upwards following the late approval of the business plan which revised GPF's targets upwards.

The approved business plan revised the targets for stands including five community halls and six sports grass fields to increase the rate of delivery of sustainable delivery of human settlements in the province.

4.2 Changes to transfers to Trading Entities

TABLE 6: CHANGES TO TRANSFERS TO TRADING ENTITIES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Cradle of Humankind | 55 395 | | (694) | | | (694) | 54 701 |
| 2. Dinokeng | 38 920 | | (498) | | | (498) | 38 422 |
| 3. Gauteng Liquor Board | 16 954 | | (6 531) | | | (6 531) | 10 423 |
| 4. Gauteng Gambling Board | 373 | | | | | | 373 |
| 5. Gauteng Infrastructure Funding Agency | 64 044 | | | | | | 64 044 |
| Total Transfers | 175 686 | | (7 723) | | | (7 723) | 167 963 |

Cradle of Humankind and Dinokeng

The GDED's Programme 5: Economic Planning is receiving R694 000 from the Cradle of Humankind and R498 000 from Dinokeng to supplement the budget for the GPG B-BBEE Act and the local production and content regulation compliance.

Gauteng Liquor Board (GLB)

An amount of R6.5 million is redirected from the GLB towards funding of emerging projects such as the impact evaluation of the supermarket stores, seed funding of the Lanseria PMO and the Consumer Education and Awareness Impact Assessment Study.

5. Summary of the 2020 Adjusted Estimates of Provincial Own Receipts

TABLE 7: SUMMARY OF THE ADJUSTED ESTIMATES OF PROVINCIAL OWN RECEIPTS

| R thousand | Main Appropriation | Total Adjustments | Adjusted Appropriation | Actual Receipts April - September 2019 |
|--|--------------------|-------------------|------------------------|---|
| Office of the Premier | 385 | | 385 | 194 |
| Gauteng Provincial Legislature | | | | |
| Economic Development | 1 167 347 | | 1 167 347 | 388 963 |
| Health | 520 000 | | 520 000 | 248 536 |
| Education | 37 286 | | 37 286 | 28 848 |
| Social Development | 4 008 | 3 905 | 7 913 | 4 957 |
| Cooperative Governance and Traditional Affairs | 347 | 4 061 | 4 408 | 4 225 |
| Human Settlements | 973 | | 973 | 474 |
| Roads and Transport | 4 575 552 | | 4 575 552 | 1 853 080 |
| Community Safety | 39 596 | | 39 596 | 16 311 |
| Agriculture and Rural Development | 14 124 | | 14 124 | 9 646 |
| Sport, Arts, Culture and Recreation | 354 | 639 | 993 | 803 |
| E-Government | 741 | | 741 | 440 |
| Gauteng Provincial Treasury | 584 903 | | 584 903 | 303 989 |
| Infrastructure Development | 30 030 | | 30 030 | 8 249 |
| Total Changes in Own Receipts | 6 975 646 | 8 605 | 6 984 251 | 2 868 715 |

Although provincial own receipts have been steady in the subdued economic environment caused by the COVID-19 pandemic, the budget for provincial own receipts increases by R8.6 million from R6.976 billion to R6.984 billion during the 2021/22 adjustments budget process. Most provincial departments are maintaining own revenue collection targets for the current financial year. The only provincial departments increasing their revenue projections are the Gauteng Department of Cooperative Governance and Traditional Affairs, the Gauteng Department of Social Development and the Gauteng Department of Sport, Arts, Culture and Recreation mainly because of a justified collection trend during the first half of the financial year. The main contributor to the adjustments to the provincial own receipts is informed by miscellaneous receipts from the item, "financial transactions in assets and liabilities", which is unpredictable and, in many instances, once-off collections of revenue.

In the Gauteng Department of Social Development, the main appropriation of R4 million increases by R3.9 million to an adjusted appropriation of R7.9 million. The basis for the over collection is primarily unutilised funds by non-governmental organizations (NGOs).

In the Gauteng Department of Cooperative Governance and Traditional Affairs, the main appropriation increases by R4.1 million from R347 000 to an adjusted appropriation of R4.4 million because of recovery of the previous financial year’s expenditure.

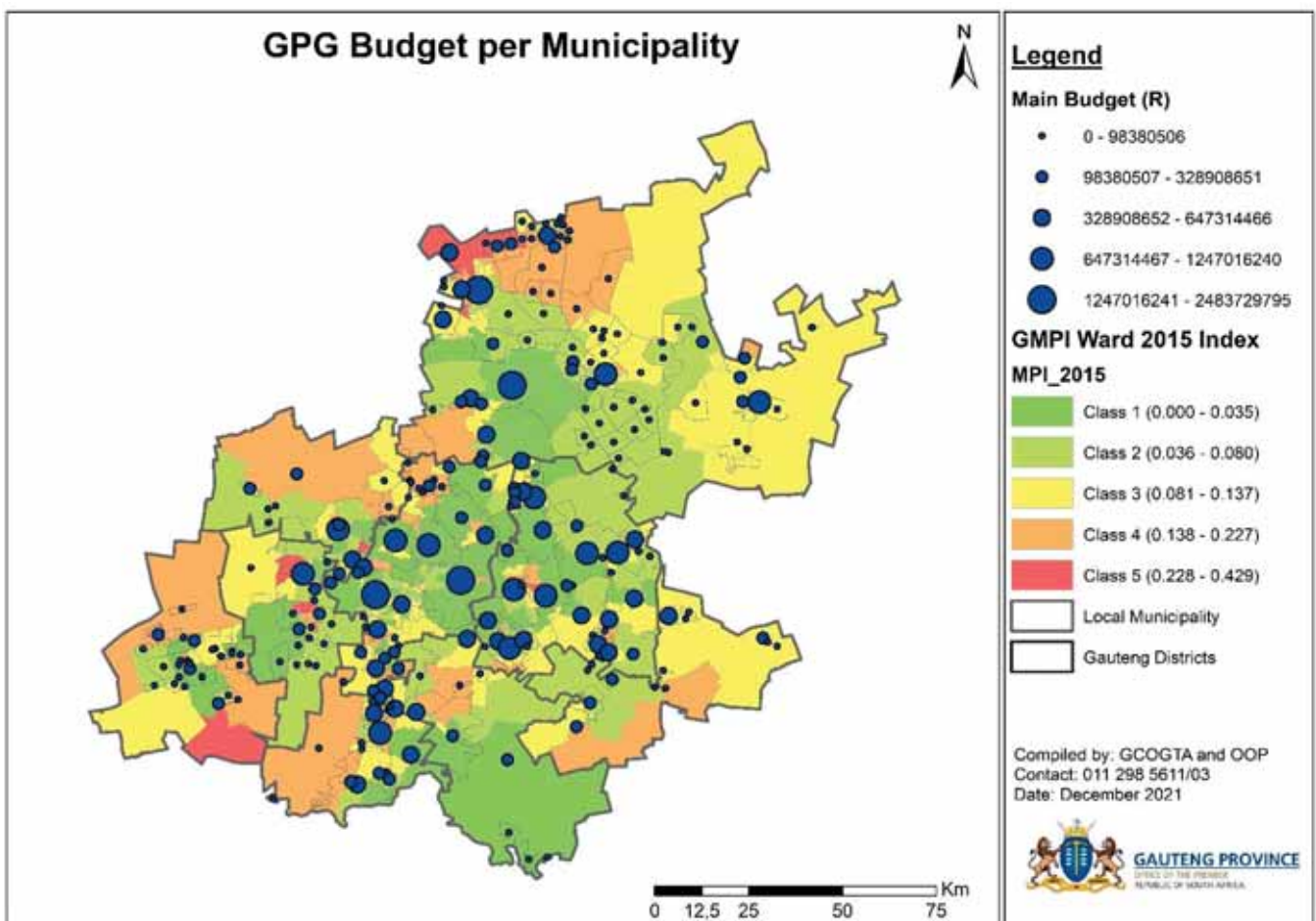
In Gauteng Department of Sport, Arts, Culture and Recreation, the main appropriation increases from R354 000 to R993 000 because of an additional revenue generated from the disposal of obsolete office furniture and equipment.

Spatial referencing

The province adopted the approach of spatial referencing the provincial budget during the 6th Administration to work towards aligning the allocation of the budget with geographical areas where the government services are needed the most. The province spatially referenced the 2021/22 main budget in March 2021 and this adjustments budget therefore adjusts the tabled MTEF budget.

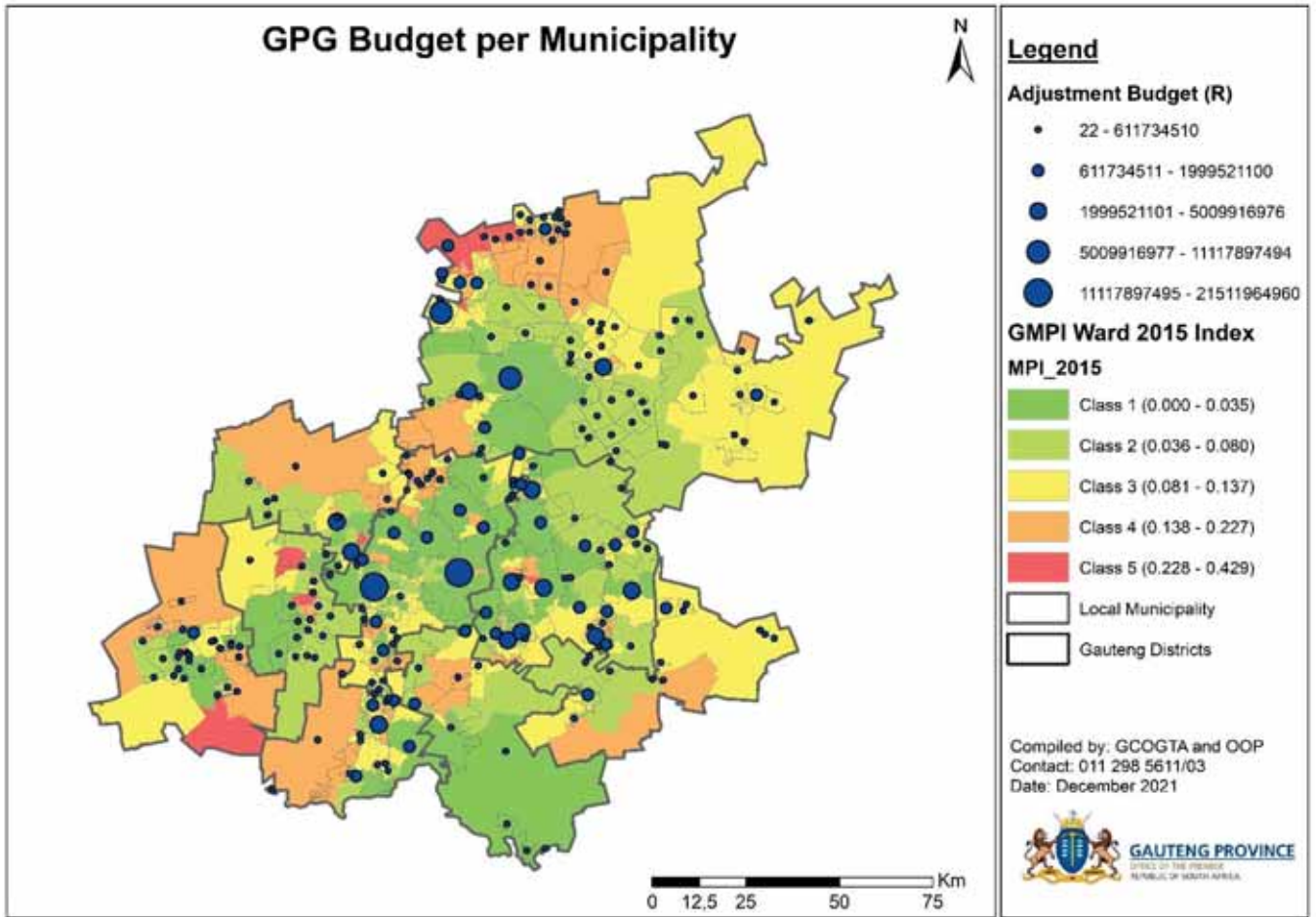
The graph in figure 1 below shows the spatial referencing of the provincial 2021/22 main budget. It shows that, according to the allocation of the budget per main place, provincial departments allocated more budget in bigger municipalities. This is shown by bigger dots reflecting in mainly in the central part of the province. It must be noted that the mandates of provincial departments influence the locations where the budgets are spent.

FIGURE 1: SPATIAL REFERENCING OF THE GPG 2021/22 MAIN BUDGET



The spatial referencing of the provincial 2021/22 adjustments budget indicates that there were few major adjustments made to the provincial 2021/22 main budget. The graph in figure 2 below shows the spatial referencing of the provincial 2021/22 main budget. It shows that, according to the allocation of the budget per main place, provincial departments allocated more budget in bigger municipalities. During the adjustments budget process, there are fewer bigger dots in geographic areas compared to more bigger dots reflected in the main budget.

FIGURE 2: SPATIAL REFERENCING OF THE GPG 2021/22 ADJUSTMENTS BUDGET



VOTE 1

OFFICE OF THE PREMIER

| R thousand | 2021/22 | | | |
|------------------------------|--------------------|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 714 423 | 867 023 | | 152 600 |
| of which: | | | | |
| Current payments | 532 781 | 534 538 | | 1 757 |
| Transfers and subsidies | 168 302 | 317 041 | | 148 739 |
| Payments for capital assets | 13 340 | 15 444 | | 2 104 |
| Payment for financial assets | | | | |
| Executive authority | Premier | | | |
| Accounting officer | Director General | | | |

1. Vision and Mission

Vision

Leadership for an integrated city-region, characterised by social cohesion and economic inclusion; the leading economy on the continent, underpinned by sustainable socio-economic development.

Mission

To advance radical socio-economic transformation and steer Gauteng towards a seamless and integrated city-region characterised by social cohesion and economic inclusion.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 1.1 OFFICE OF THE PREMIER

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 136 922 | | 137 700 | 9 572 | | 14 900 | 162 172 | 299 094 |
| 2. Institutional Development | 257 524 | | | (2 231) | | | (2 231) | 255 293 |
| 3. Policy & Governance | 319 977 | | | (7 341) | | | (7 341) | 312 636 |
| Total for Programmes | 714 423 | | 137 700 | | | 14 900 | 152 600 | 867 023 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 532 781 | | 5 000 | (3 243) | | | 1 757 | 534 538 |
| Compensation of employees | 371 367 | | | (1 452) | | | (1 452) | 369 915 |
| Salaries & wages | 331 598 | | | (2 466) | | | (2 466) | 329 132 |
| Social contribution | 39 769 | | | 1 014 | | | 1 014 | 40 783 |
| Goods and services | 161 414 | | 5 000 | (1 791) | | | 3 209 | 164 623 |
| Transfers and subsidies | 168 302 | | 132 700 | 1 139 | | 14 900 | 148 739 | 317 041 |
| Higher education institutions | 30 114 | | | | | | | 30 114 |
| Non-profit institutions | 138 188 | | | | | | | 138 188 |
| Households | | | 132 700 | 1 139 | | 14 900 | 148 739 | 148 739 |
| Payments for capital assets | 13 340 | | | 2 104 | | | 2 104 | 15 444 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 13 340 | | | 2 104 | | | 2 104 | 15 444 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 714 423 | | 137 700 | | | 14 900 | 152 600 | 867 023 |

The Office of the Premier has a budget baseline of R714.4 million in the 2021/22 financial year. The upward revision of R152.6 million increases the budget to R867 million. The increase is for the transfer payment to the duly appointed Executors and Administrators/ Curators regarding the remaining 50 per cent of the claims for the acutely ill mental healthcare users.

The movement of funds through shifts and virements is mainly to cater for the revised activities and COVID-19 related expenditure such as the extension of the lease agreement, decontamination of office buildings and g-Fleet vehicles. The COVID-19 pandemic led to severe impact of the lockdown restrictions as the number of infections increased. The lockdown restrictions, in turn, negatively affected delivery of some planned outputs.

The budget of Programme 1: Administration increases by R162.2 million through rollovers, additional provincial funding as well as virements and shifts to fund the COVID-19 related expenditure. Programme 2: Institutional Development budget reduces by R2.2 million through virements and shifts to fund the COVID-19 related expenditure. Through virements and shifts, the budget for Programme 3: Policy and Governance reduces by R7.3 million resulting from the cancellation and postponement of events due to the lockdown restrictions.

Adjustments reflect in all categories of economic classification. Total shifts of R1.4 million on compensation of employees provide for aligning payments of salaries in programmes according to the organisational structure and utilisation of Hotline learners surplus to accommodate lease costs related to COVID-19. The budget has been reprioritised within goods and services and through virements and shifts. It reduces by R1.8 million to fund machinery and equipment. Transfers and subsidies increase by R1.1 million, which is for leave gratuity payment in respect of employees who exit the public service. Payments for capital assets increase by R2.1 million through virements and shifts to procure the tools of trade such as laptops to enable employees to work remotely during the COVID-19 lockdown period.

The approved rollover amount of R132.7 million increases transfers and subsidies and it is allocated to provide for the remaining 50 per cent of the claims of acutely ill mental health care users that the Office of the Premier will transfer to the executors and administrators of the claim process. The provincial additional funding also increases transfers and subsidies by R14.9 million to pay for validated arbitration awards in respect of mental health care claims. The approved rollover amount of R5 million increases goods and services to pay legal fees for mental health care claims.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 1.2: PROGRAMME 1: ADMINISTRATION

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Premiers Support | 21 194 | | | (2 282) | | | (2 282) | 18 912 |
| Executive Council Support | 8 897 | | | (2 579) | | | (2 579) | 6 318 |
| Director General | 52 237 | | 137 700 | 4 708 | | 14 900 | 157 308 | 209 545 |
| Financial Management | 51 820 | | | 9 725 | | | 9 725 | 61 545 |
| Programme Support Prg1 | 2 774 | | | | | | | 2 774 |
| Total for Programmes | 136 922 | | 137 700 | 9 572 | | 14 900 | 162 172 | 299 094 |

| Economic classification | R Thousand | Main Appropriation | 2021/22 Adjustments | | | | Total Adjustments | Adjusted Appropriation | |
|--------------------------------------|------------|--------------------|---|----------------|----------------------|------------------------------|-------------------|------------------------|--------------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | | | Additional Funding: Provincial |
| Current payments | | 126 902 | | 5 000 | 10 535 | | | 15 535 | 142 437 |
| Compensation of employees | | 89 216 | | | (4 601) | | | (4 601) | 84 615 |
| Salaries & wages | | 80 819 | | | (5 084) | | | (5 084) | 75 735 |
| Social contribution | | 8 397 | | | 483 | | | 483 | 8 880 |
| Goods and services | | 37 686 | | 5 000 | 15 136 | | | 20 136 | 57 822 |
| Transfers and subsidies | | | | 132 700 | 168 | | 14 900 | 147 768 | 147 768 |
| Provinces and municipalities | | | | | | | | | |
| Households | | | | 132 700 | 168 | | 14 900 | 147 768 | 147 768 |
| Payments for capital assets | | 10 020 | | | (1 131) | | | (1 131) | 8 889 |
| Buildings and other fixed structures | | | | | | | | | |
| Machinery and equipment | | 10 020 | | | (1 131) | | | (1 131) | 8 889 |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | | 136 922 | | 137 700 | 9 572 | | 14 900 | 162 172 | 299 094 |

TABLE 1.3 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|---|--|----------|---|--------|
| Current payments | | (17 393) | | 27 928 |
| Compensation of employees | Savings on Covid-19 Hotline learners stipend on Compensation of employees not fully spent as pressure eased by decreasing active numbers and re-alignment of budget to ensure employees are paid according to the organisational structure. | (8 479) | Funds received to accommodate pressure in other sub-programmes within salaries and wages and to align the budget within the programme to ensure employees are paid according to the organisational structure. | 3 878 |
| Goods and services | The bulk of unspent budget due to the COVID-19 pandemic in respect of restricted travel, cancelled meetings and moving funds to centralised budget for procurement of Laptops to enable employees to work remotely when required and reprioritisation of the funds within the sub-programme. | (8 914) | Funds are received to cater for COVID-19 related costs rental payments of Provincial Command Centre and the cleaning and decontamination to ensure safety compliance; the procurement of Airtime and Data. | 24 050 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 168 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |

| Economic classification | Motivation | | From | Motivation | To |
|--------------------------------------|--|--|----------|---|--------|
| Households | | | | Funds received to cater for payment of household expenditure for employees who left the department as leave gratuity. | 168 |
| Payments for capital assets | | | (1 131) | | |
| Buildings and other fixed structures | | | | | |
| Machinery and equipment | Realised due to assets not purchased such as office furniture and machinery which caused by delays in moving to new office building. | | (1 131) | | |
| Heritage assets | | | | | |
| Specialised military assets | | | | | |
| Biological assets | | | | | |
| Land and sub-soil assets | | | | | |
| Software and other intangible assets | | | | | |
| Payments for financial assets | | | | | |
| Total economic classification | | | (18 524) | | 28 096 |

The budget for Programme 1 reflects a net increase of R162.2 million from R136.9 million to R299.1 million due to rollovers and additional funds received to cater for acutely ill mental health care users' claims as well as virements and shifts to cater for the COVID-19 expenditure.

Rollovers: R137.7 million

The department receives a rollover of R137.7 million transfer payments to households for the Mental Health Care users (Life Esidimeni arbitration awards). Of this amount, R5 million is allocated for legal fees and the balance of R132.7 million is for the health care users.

Virements and shifts

Through virements and shifts, the budget for Programme 1 increases by R9.6 million received from Programme 2: Institutional Development and Programme 3: Policy and Governance to fund the COVID-19 related expenditure and operational requirements.

Shifts within compensation of employees are funding the spending pressure in lower-level items as well as the alignment of sub-programmes' budgets within the existing approved organisational structure to ensure that employees are paid at their correct directorates. Shifts also accommodate the spending pressure on goods and services related to the COVID-19. Compensation of employees decrease by R4.6 million through virements to fund the spending pressure on compensation of employees in Programme 3.

The COVID-19 projects are housed in Programme 1. Through virements and shifts, the budget for goods and services increases by R15.1 million mainly to provide for the COVID-19 related spending pressure in respect of probity audit fees, an extension of the lease agreement for the Provincial Command Centre by six months starting from April 2021, decontamination and cleaning of office buildings and GG vehicles, and communication costs to procure bulk SMS for outbound communication and for high call usage of Hotline number during the vaccine rollout.

Transfers to households increase by R168 000 to provide for leave gratuity of Hotline learners whose contract ended before utilizing their full leave days.

Payments for capital assets decrease by R1.1 million because the major assets were not procured whilst there was a delay in the move to new office premises.

Additional Funding: Provincial R14.9 million

The department receives an additional allocation of R14.9 million to provide for the Additional Mental health care users, specifically the - validated Life Esidimeni arbitration awards.

Programme 2: Institutional Development

TABLE 1.4: PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Strategic Human Resources | 98 791 | | | (396) | | | (396) | 98 395 |
| Information Communica | 15 633 | | | 5 002 | | | 5 002 | 20 635 |
| Legal Services | 13 345 | | | 858 | | | 858 | 14 203 |
| Communication Services | 62 150 | | | 1 833 | | | 1 833 | 63 983 |
| Programme Support Prg2 | 2 180 | | | 324 | | | 324 | 2 504 |
| Service Delivery Interven | 65 426 | | | (9 852) | | | (9 852) | 55 574 |
| Total for Programmes | 257 524 | | | (2 231) | | | (2 231) | 255 293 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 254 904 | | | (6 616) | | | (6 616) | 248 288 |
| Compensation of employees | 193 543 | | | (1 199) | | | (1 199) | 192 344 |
| Salaries & wages | 170 733 | | | (1 327) | | | (1 327) | 169 406 |
| Social contribution | 22 810 | | | 128 | | | 128 | 22 938 |
| Goods and services | 61 361 | | | (5 417) | | | (5 417) | 55 944 |
| Interest and rent on land | | | | | | | | |
| Interest (Incl. interest on finance leases) | | | | | | | | |
| Transfers and subsidies | | | | 450 | | | 450 | 450 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Higher education institutions | | | | | | | | |
| Foreign governments and international organisations | | | | | | | | |
| Public corporations and private enterprises | | | | | | | | |
| Non-profit institutions | | | | | | | | |
| Households | | | | 450 | | | 450 | 450 |
| Payments for capital assets | 2 620 | | | 3 935 | | | 3 935 | 6 555 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 2 620 | | | 3 935 | | | 3 935 | 6 555 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 257 524 | | | (2 231) | | | (2 231) | 255 293 |

TABLE 1.5: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|--|----------|--|--------|
| Current payments | | (20 502) | | 13 886 |
| Compensation of employees | Funds move within and between the programme to follow organisational structure alignment and ensure employees are paid in the correct directorates. | (10 494) | Funds move within and between the programme to follow organisational structure alignment and ensure employees are paid in the correct directorates. | 9 295 |
| Goods and services | Savings realized due to cancelled events and meetings that were affected by lockdown restrictions such as Human Resource and Labour Relations summits and moving to Supply Chain Management for high call usage of Hotline number in relation to COVID-19 vaccine rollout. | (10 008) | Re-alignment of funds within the sub-programmes and provision for advertising of HOD posts across all GPG departments and new Transversal Employee wellness Safety, Health, Environment, Risk and Quality (SHERQ) system and provision for advertising, printing and publication services. | 4 591 |
| Transfers and subsidies | | | | 450 |

| Economic classification | Motivation | From | Motivation | To |
|---|------------|----------|--|--------|
| Households | | | Funds received to cater for payment of household expenditure for employees who left the department as leave gratuity. | 450 |
| Payments for capital assets | | | | 3 935 |
| Buildings and other fixed structures Machinery and equipment | | | Funds received from other programmes to procure services which are centralised in Information communication Technology Unit such as Laptops to enable employees to work remotely when required and payment for GIS server as well as Hotline telephone server. | 3 935 |
| Payments for financial assets | | | | |
| Total economic classification | | (20 502) | | 18 271 |

Virements and shifts

The virements and shifts show a net decrease of R2.2 million in Programme 2 mainly to fund key projects in response to the COVID-19 pandemic in other programmes.

The budget for compensation of employee decreases by R1.2 million through virement to fund the spending pressure in lower-level items and to align sub-programme budget within the existing approved organisational structure. Savings is due to movement of staff from one directorate to another to ensure that employees are placed in the correct units.

Through virements and shifts, goods and services budget decrease by R5.4 million. Savings is realised due to cancelled events and trips that were affected by lockdown restrictions as well as physical meetings that were not held due to lockdown restrictions and others took place on the virtual platforms.

The budget for transfers to households increases by R450 000 to provide for leave gratuity payments to former employees and for injury-on-duty claims.

The budget for payments of capital assets increased by R3.9 million procure the tools of trade, i.e., laptops to allow employees to work remotely during COVID-19 lockdown restrictions to minimise the spread of infections.

Programme 3: Policy and Governance

TABLE 1.6: PROGRAMME 3: POLICY AND GOVERNANCE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Intergovernmental Relations | 58 900 | | | 752 | | | 752 | 59 652 |
| Provincial Policy Management | 257 137 | | | (6 549) | | | (6 549) | 250 588 |
| Programme Support Prg3 | 3 940 | | | (1 544) | | | (1 544) | 2 396 |
| Total for Programmes | 319 977 | | | (7 341) | | | (7 341) | 312 636 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 150 975 | | | (7 162) | | | (7 162) | 143 813 |
| Compensation of employees | 88 608 | | | 4 348 | | | 4 348 | 92 956 |
| Salaries & wages | 80 046 | | | 3 945 | | | 3 945 | 83 991 |
| Social contribution | 8 562 | | | 403 | | | 403 | 8 965 |
| Goods and services | 62 367 | | | (11 510) | | | (11 510) | 50 857 |
| Transfers and subsidies | 168 302 | | | 521 | | | 521 | 168 823 |
| Higher education institutions | 30 114 | | | | | | | 30 114 |
| Non-profit institutions | 138 188 | | | | | | | 138 188 |
| Households | | | | 521 | | | 521 | 521 |
| Payments for capital assets | 700 | | | (700) | | | (700) | |
| Buildings and other fixed structures Machinery and equipment | 700 | | | (700) | | | (700) | |

| | | | | | | |
|-------------------------------|---------|--|---------|--|---------|---------|
| Payments for financial assets | | | | | | |
| Total economic classification | 319 977 | | (7 341) | | (7 341) | 312 636 |

TABLE 1.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: POLICY and GOVERNANCE

| Economic classification | Motivation | From | Motivation | To |
|---|--|----------|---|--------|
| Current payments | | (25 468) | | 18 306 |
| Compensation of employees | Funds move within and between the programme to follow organisational structure alignment and ensure employees are paid in the correct directorates. | (4 284) | Funds move within and between the programme to follow organisational structure alignment and ensure employees are paid in the correct directorates. | 8 632 |
| Goods and services | Reprioritisation of funds due the COVID-19 pandemic largely on projects relating to consultants in respect of N12 corridor and other items such training, catering and venues. | (21 184) | To make provision for the Gauteng City Region's Energy Security Strategic towards a sustainable mixed energy, determination of socio-economic impact of infrastructure spending and promotional items for GGT2030 and to supplement deficit on the ESRI Purchase Order and contracts. | 9 674 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 521 |
| Higher education institutions | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | Funds received to cater for payment of household expenditure for employees who left the department as leave gratuity. | 521 |
| Payments for capital assets | | (700) | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | Funds move to pay for the GIS servers at SITA that is centralised in ICT Directorate. | (700) | | |
| Payments for financial assets | | | | |
| Total economic classification | | (26 168) | | 18 827 |

Virements and shifts

The budget of the programme reduces by R7.3 million from R319.9 million to R312.6 million to fund key projects relating to the COVID-19 pandemic.

Programme 3 receives R4.3 million through virements within compensation of employees to fund lower-level items spending pressure as well as alignment of sub-programmes' budget within the existing approved organisational structure. Savings is due to movement of staff from one directorate to another to ensure that employees are placed in the correct units.

Thorough virements and shifts, goods and services reduce by R11.5 million. Unspent funds are for the N12 Corridor project which overlaps to the next financial year, the investigations report which is projected to be complete in 2022/23 as well as events, meetings and travelling affected by the lockdown restrictions.

The budget for transfers to households increases by R521 000 to provide for injury on duty claims and leave gratuity payments to former employees.

From payments for capital assets an amount of R700 000 for the procurement of the GIS server is reallocated to Programme 2 where the ICT-related procurement function is centralised.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 1.8: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22

| Department | 2020/21 | | | | 2021/22 | | |
|-------------------------------|------------------------|----------------------|---------------------|--|-------------------------|----------------------|---------------------------------|
| | Expenditure Outcome | | | | Preliminary expenditure | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2021-Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| 1. Administration | 320 400 | 82 728 | 200 423 | 63% | 299 094 | 82 012 | (1)% |
| 2. Institutional Development | 267 743 | 137 845 | 250 091 | 93% | 255 293 | 111 825 | (19)% |
| 3. Policy and Governance | 297 895 | 141 727 | 287 714 | 97% | 312 636 | 160 191 | 13% |
| Total | 886 038 | 362 300 | 738 228 | 83% | 867 023 | 354 028 | (2)% |
| Current payments | 539 000 | 253 372 | 527 604 | 98% | 534 538 | 241 917 | (5)% |
| Compensation of employees | 357 035 | 175 081 | 356 180 | 100% | 369 915 | 180 675 | 3% |
| Goods and Services | 181 965 | 78 291 | 171 424 | 94% | 164 623 | 61 242 | (22)% |
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 331 714 | 97 725 | 192 267 | 58% | 317 041 | 107 277 | 10% |
| Higher education institutions | 30 182 | 11 891 | 27 782 | 92% | 30 114 | 12 534 | 5% |
| Non-profit institutions | 131 108 | 78 665 | 131 108 | | 138 188 | 82 913 | 5% |
| Households | 170 424 | 7 169 | 33 377 | 20% | 148 739 | 11 830 | 65.02% |
| Payments for capital assets | 15 324 | 11 238 | 18 357 | 120% | 15 444 | 4 834 | (57)% |
| Machinery and equipment | 15 324 | 11 238 | 18 213 | 119% | 15 444 | 4 834 | (57)% |
| Payments for financial assets | | (35) | | | | | |
| Total | 886 038 | 362 300 | 738 228 | 83% | 867 023 | 354 028 | (2)% |

Expenditure trends 2020/21

The department spent R362.3 million (or 41 per cent) of the R886 million adjusted appropriation as at 30 September 2020. The annual spending amounted to R738.2 million (or 83 per cent of the budget) as at 31 March 2021.

The unspent R147.8 million or 17 per cent of the budget is mostly for the projects that could not be implemented due to lockdown restrictions, a delay in finalising the investigations by Special Investigating Unit (SIU) which delayed the processing of payments, consultants on health and safety delayed as the department was advised to use the same MOU that Gauteng Department of Health has for procuring a similar system. Underspensing on transfers is due to a delay in implementing the skills development for Military Veteran as planned, and Life Esidimeni project which was mostly affected by the High Court allocating a date of 21 April 2021 for the hearing which overlaps to the following financial year, as well as the delayed court process that was due to the prevailing COVID-19 restrictions observation and allocation of cases.

Preliminary expenditure trends for the first half of 2021/22

The department spent R354 million during the first six months of 2021/22 versus R362.3 million spent in the corresponding period in 2020/21. The department spent 41 per cent of the allocated budget which is equivalent the budget spent in the same period in 2020/21. The slow spending in the current year is mainly due to the cancelled and postponement of events and a delay in finalising the investigations by SIU.

Programme 1: Administration

The expenditure for the first six months amounting to R82 million is 1 per cent lower than R82.7 million spent in the same period of 2020/21 financial year. A trend in payments for the acutely ill mental health care users is the main reason for the lower expenditure.

Programme 2: Institutional Development

The spending of R111.8 million as at the end of first six months in 2021/22 is 19 per cent lower than R137.8 million spent in 20/21 financial year during the same period. The main contributing factors to the lower expenditure are the programme and projects postponed and put on hold due to lockdown restrictions.

Programme 3: Policy and Governance

The expenditure amounting to R160. million during the 2021/22 first six months is 13 per cent higher than R141.7 million spent during the same period in the previous financial year. The main contributing factor to the higher expenditure is the payment of transfers to GCRO (WITS) as well as Harambee in respect of Tshepo 1 million Programme.

6. Departmental Receipts

TABLE 1.9: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|---------------------|--|------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Audited Outcome | | | Preliminary Receipts | | |
| R thousand | | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2021-Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 398 | 167 | 292 | () | 279 | 132 | (21)% |
| Interest, dividends and rent on land | 5 | | 8 | 1 | 4 | 2 | #DIV/0! |
| Sales of capital assets | | | | | | | #DIV/0! |
| Financial transactions in assets and liabilities | 20 | | 2 794 | 13870% | 102 | 60 | #DIV/0! |
| Total | 423 | 167 | 3 094 | 631% | 385 | 194 | 16% |

Revenue trends for the first half of the 2021/22 financial year

The table above shows the contribution of each revenue source towards the departmental receipts generated as 30 September 2021. The main source of departmental receipts is sales of goods and services other than capital assets. This item consists of parking fees and commission earned on garnishee orders and insurance premiums.

The interest revenue contributes the lowest share of the departmental receipts. The departmental receipts totalling R194 000 as of 30 September 2021 are 16 per cent higher than R167 000 collected as at 30 September 2020. The increase reflects in financial transactions in assets and liabilities and is due to recovery of old debts. Collection under this item depends on the recovery of previous year's debts raised by Debt Management Unit against the existing employees who breach the bursary contract and employees who resigned while owing for bursaries. Under collection in sales of goods and services other than capital assets is due to the revised parking fee policy from R200 to R100 in order to align to the Provincial parking tariffs.

7. Changes to transfers and subsidies, conditional grants and infrastructure

Changes to transfers and subsidies

Not applicable

Changes to conditional grants

Not applicable

Changes to infrastructure

Not applicable

VOTE 2**GAUTENG PROVINCIAL LEGISLATURE**

| R thousand | 2021/22 | | | |
|------------------------------|------------------------------|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 791 064 | 795 708 | | 4 644 |
| of which: | | | | |
| Current payments | 625 647 | 609 558 | (16 089) | |
| Transfers and subsidies | 150 921 | 159 921 | 9 000 | |
| Payments for capital assets | 14 496 | 26 229 | | 11 733 |
| Payment for financial assets | | | | |
| Executive authority | Speaker | | | |
| Accounting officer | Secretary of the Legislature | | | |

1. Vision and Mission**Vision**

A progressive legislature that fosters confidence in democracy and improving the quality of life of the people of Gauteng.

Mission

To build a capable and robust legislature with the capacity to fulfil its mandates.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 2.1: GAUTENG PROVINCIAL LEGISLATURE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------|--------------------|---------------------|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Expenditure Outcome | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Leadership and Governance | 51 087 | | | (21 560) | | 275 | (21 285) | 29 802 |
| 2. Office of the Secretary | 21 664 | | | 10 251 | | 203 | 10 454 | 32 118 |
| 3. Corporate Support Services | 402 761 | | | 18 575 | | 1 165 | 19 740 | 422 501 |
| 4. Core Business | 258 517 | | | (7 266) | | 2 447 | (4 819) | 253 698 |
| 5. Office of the CFO | 57 035 | | | | | 554 | 554 | 57 589 |
| Total for Programmes | 791 064 | | | | | 4 644 | 4 644 | 795 708 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 625 647 | | | (20 733) | | 4 644 | (16 089) | 609 558 |
| Compensation of employees | 374 062 | | | 8 008 | | 4 644 | 12 652 | 386 714 |
| Salaries & wages | 374 062 | | | 8 008 | | 4 644 | 12 652 | 386 714 |
| Social contribution | | | | | | | | |
| Goods and services | 251 585 | | | (28 741) | | | (28 741) | 222 844 |
| Transfers and subsidies | 150 921 | | | 9 000 | | | 9 000 | 159 921 |
| Provinces and municipalities | | | | | | | | |
| Non-profit institutions | 150 921 | | | 9 000 | | | 9 000 | 159 921 |
| Households | | | | | | | | |
| Payments for capital assets | 14 496 | | | 11 733 | | | 11 733 | 26 229 |
| Buildings and other fixed structures | 636 | | | 9 000 | | | 9 000 | 9 636 |
| Machinery and equipment | 13 860 | | | 2 733 | | | 2 733 | 16 593 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 791 064 | | | | | 4 644 | 4 644 | 795 708 |

The adjustments budget of the Gauteng Provincial Legislature (GPL) is informed by the outcome of the institutional mid-year budget and performance assessment as well as the review of spending projections for the second half of the financial year, in line with Section 53 of Financial Management of Parliament and Provincial Legislatures Act, 2009 (FMPPLA).

During the mid-year budget review process, funds were reprioritised from underperforming areas and activities affected by the COVID-19 pandemic and associated lockdown restrictions. The review process led to unspent funds totalling R28.7 million from goods and services as a result of savings from conducting legislature business virtually and suspension of activities that have been affected by COVID-19 pandemic and lockdown restrictions.

Declared savings from goods and services have been reallocated to compensation of employees, transfers to political parties and capital assets. Compensation of employees is increased to augment excess expenditure as result of payment of 13th cheque to employees in the bargaining unit. The additional funding under transfers is financing a once-off supplementary funding to political parties in order to assist parties in setting up mechanisms aimed at reaching out to the citizens and shaping their opinions. Capital assets also experienced a budget shortfall due to approved roll-overs from the 2020/21 financial year relating to laptops, the GPL Digital Parliament and the Rehabilitation of the Concrete Sheet Roof in the main building. Additional funding allocated to capital assets also finance the Revamping of the Auditorium, the Rehabilitation of the Tiled Roof portion in the main building and procurement of audio-visual equipment for the in-house development and publication of the institutional annual report as well as multi-functional printers.

Through additional allocation from Treasury, the GPL's overall budget increases by R4.6 million from the main budget of R791.1 million to an adjusted budget of R795.7 million to fund the once-off cash payment of 1.5 per cent on employees' annual packages. The once-off cash payment will be implemented for employees in the bargaining unit and general employees in GPL to cushion against the impact of rising inflation rate.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Leadership and Governance

TABLE 2.2: PROGRAMME 1: LEADERSHIP AND GOVERNANCE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office Of The Executive Director | 22 499 | | | 1 341 | | 275 | 1 616 | 24 115 |
| 2. Administrative Operations | 2 359 | | | (1 043) | | | (1 043) | 1 316 |
| 3. Inter-Legislature Relations | 22 002 | | | (19 504) | | | (19 504) | 2 498 |
| 4. Oversight And Liaison | 4 227 | | | (2 354) | | | (2 354) | 1 873 |
| Total for Programmes | 51 087 | | | (21 560) | | 275 | (21 285) | 29 802 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 51 087 | | | (21 560) | | 275 | (21 285) | 29 802 |
| Compensation of employees | 22 247 | | | 1 536 | | 275 | 1 811 | 24 058 |
| Salaries & wages | 22 247 | | | 1 536 | | 275 | 1 811 | 24 058 |
| Social contribution | | | | | | | | |
| Goods and services | 28 840 | | | (23 096) | | | (23 096) | 5 744 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | | | | | | | | |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Higher education institutions | | | | | | | | |
| Foreign governments and international organisations | | | | | | | | |
| Public corporations and private enterprises | | | | | | | | |
| Non-profit institutions | | | | | | | | |
| Households | | | | | | | | |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Heritage assets | | | | | | | | |
| Specialised military assets | | | | | | | | |
| Biological assets | | | | | | | | |
| Land and sub-soil assets | | | | | | | | |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 51 087 | | | (21 560) | | 275 | (21 285) | 29 802 |

TABLE 2.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: LEADERSHIP AND GOVERNANCE

| Economic classification | Motivation | From | Motivation | To |
|------------------------------|---|----------|---|-------|
| Current payments | | (23 096) | | 1 536 |
| Compensation of employees | | | To defray excess expenditure relating to the payment of 13th cheque to employees in the bargaining unit | 1 536 |
| Goods and services | Savings from implementing activities virtually and suspension of Committees and Presiding Officers travel due to COVID-19 pandemic and associated lockdown restrictions | (23 096) | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |

| | | | | |
|---|--|----------|--|-------|
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (23 096) | | 1 536 |

The programme's overall budget is adjusted downwards by R21.3 million from R51.1 million to R29.8 million primarily due to suspended Committees and Presiding officers' travel as a result of the COVID-19 pandemic and associated lockdown restrictions

Virements and shifts

The programme, through virements, reallocates unspent funds totalling to R21.6 million to Programme 3: Corporate Support Services (R18.6 million) and Programme 2: Office of the Secretary (R3 million).

Through funds shifts within the programme, a total amount of R1.5 million is shifted from goods and services to compensation of employees to defray excess expenditure relating to payment of 13th cheque to employees in the bargaining unit.

Additional funding: Provincial R274 995

An additional funding of R274 995 is allocated to the programme to fund the once-off cash payment of 1.5 per cent on employees' annual packages. The once-off cash payment will be implemented for both employees in the bargaining unit and general employees in GPL to cushion against the impact of rising inflation rate.

Programme 2: Office of the Secretary

TABLE: 2.4: PROGRAMME 2: OFFICE OF THE SECRETARY

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office Of The Secretary | 21 398 | | | 10 413 | | 203 | 10 616 | 32 014 |
| Office Of The Integrity Commissioner | 266 | | | (162) | | | (162) | 104 |
| Total for Programmes | 21 664 | | | 10 251 | | 203 | 10 454 | 32 118 |

| Economic classification | R Thousand | Main Appropriation | 2021/22 Adjustments | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------|------------|--------------------|---|------------|----------------------|------------------------------|-------------------|------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | | |
| Current payments | 21 664 | | | 10 251 | | 203 | 10 454 | 32 118 |
| Compensation of employees | 15 294 | | | | | 203 | 203 | 15 497 |
| Salaries & wages | 15 294 | | | | | 203 | 203 | 15 497 |
| Social contribution | | | | | | | | |
| Goods and services | 6 370 | | | 10 251 | | | 10 251 | 16 621 |

| | | | | | | |
|--------------------------------------|---------------|--|---------------|--|------------|---------------|
| Interest and rent on land | | | | | | |
| Transfers and subsidies | | | | | | |
| Provinces and municipalities | | | | | | |
| Departmental agencies and accounts | | | | | | |
| Higher education institutions | | | | | | |
| Non-profit institutions | | | | | | |
| Households | | | | | | |
| Payments for capital assets | | | | | | |
| Buildings and other fixed structures | | | | | | |
| Machinery and equipment | | | | | | |
| Land and sub-soil assets | | | | | | |
| Software and other intangible assets | | | | | | |
| Payments for financial assets | | | | | | |
| Thefts & Losses | | | | | | |
| Total economic classification | 21 664 | | 10 251 | | 203 | 10 454 |
| | | | | | | 32 118 |

TABLE: 2.5 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: OFFICE OF THE SECRETARY

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|--------------|---|---------------|
| Current payments | | (162) | | 10 413 |
| Compensation of employees | | | | |
| Goods and services | Savings from the printing of Register of Members Interest and suspended travel due to COVID-19 pandemic. | (162) | To fund spending pressures under legal fees and recruitment costs for senior management positions whose contracts are expiring in the current financial year. Also included is funding for the Commonwealth Parliamentary Association (CPA) Africa region and Society of Clerks at the Table (SoCATT) conference. | 10 413 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (162) | | 10 413 |

Virements and shifts

Through virements, the programme's budget for goods and services has been increased by a total amount of R10.3 million to fund legal fees and recruitment costs for senior management positions whose five-year contracts are ending in the current financial year. An amount of R7.3 million is received from Programme 4: Core Business and R3 million from Programme 1: Leadership and Governance.

Through savings within the programme, a total amount of R162 000 is reallocated to fund the budgetary pressures for the Commonwealth Parliamentary Association (CPA) Africa region (R47 500) and the 2021 Society of Clerks at the Table (SoCATT) Africa Region (R114 500). The shifting of funds was effected within goods and services from Integrity Commissioner sub-programme to Office of the Secretary sub-programme. The CPA is an international community of Commonwealth Parliaments and Legislatures working together to identify benchmarks of good governance and the implementation of Commonwealth values. The SoCATT is an organ of the CPA Africa region and provides means by which the parliamentary practices and experiences of various Legislative Chambers maybe shared among the Clerks at the Table.

Additional funding: Provincial R203 300

An additional funding of R203 300 is allocated to the programme to fund the once-off cash payment of 1.5 per cent on employees' annual packages. The once-off cash payment will be implemented for employees in the bargaining unit and general employees in GPL to cushion against the impact of rising inflation rate.

Programme 3: Corporate Support Services

TABLE: 2.6: PROGRAMME 3: CORPORATE SUPPORT SERVICES

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. ED: Corporate Support Services | 132 877 | | | (6 889) | | 1 165 | (5 724) | 127 153 |
| 2. Members Affairs | 162 450 | | | 6 482 | | | 6 482 | 168 932 |
| Institutional Support Services | 30 720 | | | 1 706 | | | 1 706 | 32 426 |
| Operational Support Services | 35 120 | | | 19 153 | | | 19 153 | 54 273 |
| IT and Technology | 41 594 | | | (1 877) | | | (1 877) | 39 717 |
| Total for Programmes | 402 761 | | | 18 575 | | 1 165 | 19 740 | 422 501 |

| Economic classification | R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | | 237 974 | | | (776) | | 1 165 | 389 | 238 363 |
| Compensation of employees | | 124 478 | | | (2 993) | | 1 165 | (1 828) | 122 650 |
| Salaries & wages | | 124 478 | | | (2 993) | | 1 165 | (1 828) | 122 650 |
| Social contribution | | | | | | | | | |
| Goods and services | | 113 496 | | | 2 217 | | | 2 217 | 115 713 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies | | 150 921 | | | 9 000 | | | 9 000 | 159 921 |
| Provinces and municipalities | | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | | |
| Higher education institutions | | | | | | | | | |
| Non-profit institutions | | 150 921 | | | 9 000 | | | 9 000 | 159 921 |
| Households | | | | | | | | | |
| Payments for capital assets | | 13 866 | | | 10 351 | | | 10 351 | 24 217 |
| Buildings and other fixed structures | | 636 | | | 9 000 | | | 9 000 | 9 636 |
| Machinery and equipment | | 13 230 | | | 1 351 | | | 1 351 | 14 581 |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Thefts & Losses | | | | | | | | | |
| Total economic classification | | 402 761 | | | 18 575 | | 1 165 | 19 740 | 422 501 |

TABLE: 2.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: CORPORATE SUPPORT SERVICES

| Economic classification | Motivation | From | Motivation | To |
|------------------------------|---|----------|--|--------|
| Current payments | | (12 635) | | 11 859 |
| Compensation of employees | Savings due to the delay in security insourcing. | (2 993) | | |
| Goods and services | Savings from inter-legislature games, travel, canteen contract, Organisational Development Exercise and ICT strategy. | (9 642) | To fund security outsourcing, recruitment costs and team-building exercise | 11 859 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 9 000 |
| Provinces and municipalities | | | | |

| | | | | |
|--------------------------------------|--|----------|--|---------------|
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Non-profit institutions | | | Once-off supplementary funding to political parties in order to assist parties in setting up mechanisms aimed at reaching out to the citizens and shaping their opinions | 9 000 |
| Households | | | | |
| Payments for capital assets | | | | 10 351 |
| Buildings and other fixed structures | | | To fund the Rehabilitation of the Concrete sheet and Tiled roof portions in the main-building | 9 000 |
| Machinery and equipment | | | Approved roll-over for laptops | 1 351 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (12 635) | | 31 210 |

The overall budget for the programme increases by R19.7 million from the main budget of R402.8 million to an adjusted budget of R422.5 million and the additional amount is received through virements and shifts of R18.6 million and through Treasury allocation of R1.2 million.

Virements and shifts

Through virements, a total amount of R9 million is reallocated for the Rehabilitation of Concrete Sheet Roof and Tiled Roof portions in the main building at R7 million and R2 million, respectively. The project is key for ensuring compliance to building regulations and legislation and Occupational Health and Safety Act as well as to prevent damage to GPL assets and installations and improve working environment.

A total amount of R10.2 million is reallocated for the security outsourcing with R7.3 million being funded within the programme and R2.9 million through virements in goods and services. The security insourcing has been delayed due to unforeseeable circumstances and the process is still underway. The Security Insourcing project aims to end the outsourcing of security personnel and insource the security officers that will be required for House sittings, Taking Committees to the people and in and around the GPL precinct.

Transfers to political parties have also been increased by R9 million due to a once-off supplementary funding for political parties which has been allocated to assist parties with their political party work. An amount of R6.5 million is financed through virements and remaining R2.5 million is funded within Members Affairs sub-programme from inter-legislature games and travel savings.

Through virements, in goods and services an amount of R206 000 is reallocated for the team-building exercise that is aimed at building and improving relations between new senior management and staff with the objective to improve productivity and teamwork.

Through funds shifts within the programme, in goods and services an amount of R1.5 million is reallocated to fund the recruitment costs for additional senior management positions who are not covered in the recruitment contract.

Through funds shifts, an amount of R1.4 million is also reallocated to finance approved roll-over for laptops and funding is sourced within IT and Technology sub-programme from the Information and Communications Technology (ICT) strategy savings.

Additional funding: Provincial R1.2 million

The programme receives an additional funding of R1.2 million to fund the once-off cash payment of 1.5 per cent on employees' annual packages. The once-off cash payment will be implemented for employees in the bargaining unit and general employees in GPL to cushion against the impact of rising inflation rate.

Programme 4: Core Business

TABLE: 2.8: PROGRAMME 4: CORE BUSINESS

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. ED: Core Business | 167 492 | | | 9 295 | | 2 447 | 11 742 | 179 234 |
| 2. Parliamentary Business | 38 848 | | | (12 410) | | | (12 410) | 26 438 |
| 3. Information And Knowledge Management | 12 274 | | | (2 985) | | | (2 985) | 9 289 |
| 4. Communication | 39 903 | | | (1 166) | | | (1 166) | 38 737 |
| Total for Programmes | 258 517 | | | (7 266) | | 2 447 | (4 819) | 253 698 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 258 517 | | | (7 266) | | 2 447 | (4 819) | 253 698 |
| Compensation of employees | 167 364 | | | 9 383 | | 2 447 | 11 830 | 179 194 |
| Salaries & wages | 167 364 | | | 9 383 | | 2 447 | 11 830 | 179 194 |
| Social contribution | | | | | | | | |
| Goods and services | 91 153 | | | (16 649) | | | (16 649) | 74 504 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | | | | | | | | |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Higher education institutions | | | | | | | | |
| Non-profit institutions | | | | | | | | |
| Households | | | | | | | | |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 258 517 | | | (7 266) | | 2 447 | (4 819) | 253 698 |

TABLE: 2.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: CORE BUSINESS

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------|---|-------|
| Current payments | | (16 649) | | 9 383 |
| Compensation of employees | | | To defray excess expenditure relating to the payment of 13th cheque to employees in the bargaining unit | 9 383 |
| Goods and services | Savings from implementing activities virtually and activities affected by COVID-19 pandemic and associated lockdown restrictions | (16 649) | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |

| | | | | |
|--------------------------------------|--|--|----------|-------|
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | | (16 649) | 9 383 |

The budget is adjusted downwards by R4.8 million, from the main budget of R258.5 million to an adjusted budget of R253.7 million.

Virements and shifts

The programme surrenders a total amount of R7.3 million through virements to Programme 2: Office of the Secretary to fund the budgetary shortfall relating to recruitment costs for senior management positions whose five-year contracts are ending in the current financial year. Unspent funds were realised from Committees' activities affected by the COVID-19 pandemic and associated lockdown restrictions as well as from savings from implementing activities virtually.

Through funds shifts within the programme, a total amount of R9.4 million is shifted from goods and services to compensation of employees to defray excess expenditure relating to payment of 13th cheque to employees in the bargaining unit.

Additional funding: Provincial R2.4 million

An additional amount of R2.4 million is received to fund the once-off cash payment of 1.5 per cent on employees' annual packages. The once-off cash payment will be implemented for employees in the bargaining unit and general employees in GPL to cushion against the impact of rising inflation rate.

Programme 5: Office of the CFO

TABLE: 2.10: PROGRAMME 5: OFFICE OF THE CFO

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Chief Financial Officer | 49 674 | | | 179 | | 554 | 733 | 50 407 |
| 2. Finance | 180 | | | (75) | | | (75) | 105 |
| 3. Supply Chain Management | 5 654 | | | (218) | | | (218) | 5 436 |
| 4. Audit, Risk And Governance | 1 527 | | | 114 | | | 114 | 1 641 |
| Total for Programmes | 57 035 | | | | | 554 | 554 | 57 589 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 56 405 | | | (1 382) | | 554 | (828) | 55 577 |
| Compensation of employees | 44 679 | | | 82 | | 554 | 636 | 45 315 |
| Salaries & wages | 44 679 | | | 82 | | 554 | 636 | 45 315 |
| Social contribution | | | | | | | | |
| Goods and services | 11 726 | | | (1 464) | | | (1 464) | 10 262 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | | | | | | | | |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Higher education institutions | | | | | | | | |
| Non-profit institutions | | | | | | | | |
| Households | | | | | | | | |
| Payments for capital assets | 630 | | | 1 382 | | | 1 382 | 2 012 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 630 | | | 1 382 | | | 1 382 | 2 012 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 57 035 | | | | | 554 | 554 | 57 589 |

TABLE: 2.11: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: OFFICE OF THE CFO

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|---------|--|-------|
| Current payments | | (1 675) | | 293 |
| Compensation of employees | | | To defray excess expenditure relating to the payment of 13th cheque to employees in the bargaining unit | 82 |
| Goods and services | Savings from inventory, travel and bank charges | (1 675) | To fund budget pressures relating to audit fees and forensic investigations | 211 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | (173) | | 1 555 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | Savings due to the delay in the procurement of office furniture | (173) | To fund the revamping of the auditorium, procurement of photocopier printers and audio-visual equipment for the in-house production of the Annual Report | 1 555 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (1 848) | | 1 848 |

Virements and shifts

Through funds shifts within the programme, a total amount of R97 551 is shifted within goods and services to fund the budget shortfall for external audit fees in the Office of the CFO sub-programme. Unspent funds are shifted from Finance sub-programme and Supply Chain Management sub-programme under domestic travel, bank charges and inventory.

Office of the CFO sub-programme receives an amount of R82 000 from Supply Chain Management sub-programme to fund excess expenditure relating to payment of 13th cheque to employees in the bargaining unit.

An amount of R113 684 is also shifted within goods and services from Supply Chain Management sub-programme to Audit, Risk and Governance sub-programme to fund forensic investigations.

Through funds shifts within Supply Chain Management sub-programme, the budget for capital assets is increased by R1.6 million to fund the Revamping of the Auditorium and procurement of multi-functional printers as well as audio-visual equipment for the in-house development and publication of the annual report.

Additional funding: Provincial R553 779

The programme receives an additional amount of R553 779 to fund the once-off cash payment of 1.5 per cent on employees' annual packages. The once-off cash payment will be implemented for employees in the bargaining unit and general employees in GPL to cushion against the impact of rising inflation rate.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE: 2. 13 EXPENDITURE 2018/19 AND PRELIMINARY EXPENDITURE 2020/21

| Programme | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--------------------------------------|--------------------------------|----------------------|---------------------|---|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Leadership and Governance | 51 859 | 11 785 | 24 437 | 47% | 29 802 | 11 484 | (3)% |
| 2. Office of the Secretary | 31 339 | 8 307 | 22 804 | 73% | 32 118 | 14 617 | 76% |
| 3. Corporate Support Services | 401 283 | 207 556 | 355 559 | 89% | 422 501 | 224 284 | 8% |
| 4. Core Business | 257 413 | 97 828 | 202 830 | 79% | 253 698 | 100 727 | 3% |
| 5. Office of the CFO | 75 869 | 27 149 | 60 507 | 80% | 57 589 | 25 913 | (5)% |
| Total | 817 763 | 352 625 | 666 137 | 81% | 795 708 | 377 025 | 7% |
| Current payments | 650 940 | 237 306 | 511 440 | 79% | 609 558 | 246 489 | 4% |
| Compensation of employees | 408 337 | 193 030 | 385 831 | 94% | 386 714 | 192 446 | (0)% |
| Goods and Services | 242 603 | 44 276 | 125 609 | 52% | 222 844 | 54 043 | 22% |
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 142 592 | 114 831 | 142 829 | 100% | 159 921 | 129 824 | 13% |
| Provinces and municipalities | | | | | | | |
| Departmental agencies and accounts | | | | | | | |
| Non-profit institutions | 142 592 | 114 831 | 142 829 | 100% | 159 921 | 129 824 | 13% |
| Households | | | | | | | |
| Payments for capital assets | 24 231 | 488 | 11 867 | 49% | 26 229 | 712 | 46% |
| Buildings and other fixed structures | 6 000 | | 288 | 5% | 9 636 | | #DIV/0! |
| Machinery and equipment | 17 741 | 488 | 11 086 | 62% | 16 593 | 712 | 46% |
| Land and sub-soil assets | | | | | | | |
| Software and other intangible assets | 490 | | 493 | 101% | | | |
| Payments for financial assets | | | | | | | |
| Total | 817 763 | 352 625 | 666 137 | 81% | 795 708 | 377 025 | 7% |

Expenditure trends for 2020/21

In 2020/21, the GPL spent a total amount of R666.1 million or 81 per cent of the allocated budget. Of the total reported expenditure, an amount of R385.8 million was spent on compensation of employees comprising salaries for all GPL and political support staff, 13th cheque for employees in the bargaining unit, performance bonuses for senior management, funeral benefits and overtime payments. Compensation of employees accounted for 58 per cent of the total expenditure for the 2020/21 financial year.

Spending on goods and services amounted to R125.6 million, equating to 19 per cent of the total expenditure. Goods and services were mainly driven by committees' activities and public outreach programmes, activities of the House sittings, provision of facilities and support to members of the GPL, institutional events, COVID-19 response, operational costs and contractual obligations. Also included in goods and services expenditure are the following projects: Digital Parliament, the Information Communication and Technology (ICT) strategy, Organisational Development Exercise and Law-making.

Transfers to political parties totalled R142.8 million with support for political party work at R85.9 million and Constituency support work at R57 million. Transfers to political parties accounted for 21 per cent of the overall expenditure.

Spending on capital assets totalled R11.9 million and relates to procurement of motor vehicles which are used for transporting stakeholders participating in House and Committee activities, replacements of air-conditioner and chillers, laptops for members and staff, office furniture and equipment as well as asset management software.

Preliminary expenditure trends for the first half of 2021/22

The GPL has spent a total amount of R377 million in the first half of the 2021/22 financial year in comparison to the R352.6 million that was spent in the same period in 2020/21, representing an increase of 7 per cent. Of the total expenditure for the mid-year, compensation of employees accounted for R192.4 million or 51 per cent, whilst goods and services accounted for R54 million or 14 per cent of the total expenditure for the mid-year. Included in compensation of employees is salaries for GPL and political support staff, 13th cheque for employees in the bargaining unit, leave encashment due to resignations and expired senior management contracts, funeral benefits and unemployment insurance fund contributions. Goods and services expenditure is largely driven by recruitment costs, audit fees, security services, advertising and profiling of Legislature business, hansard outsourcing, members facilities, House sittings, ICT and Human Resources strategies, committees' outreach programmes and public education programmes, training and development, operating expenses and contractual obligations.

A total amount of R129.8 million has been transferred to political parties in support of their political party work and constituency work. Transfers accounted for 34 per cent of the total GPL expenditure for the mid-year and represent an increase of 13 per cent when compared to the same period in the 2020/21 financial year.

Spending on capital assets totalled R712 000 in comparison to R488 000 that was spent in the same period in 2020/21, representing an increase of 46 per cent. The increase is due to delivery of laptops that were expected in 2020/21 but were delayed by the service provider owing to the global supply chain disruptions caused by the COVID-19 pandemic.

Programme 1: Leadership and Governance

The programme has spent R11.5 million during the first six months of the financial year when compared to the R11.8 million that was spent in the same period of 2020/21, representing a decrease of 3 per cent. The reduction in expenditure is largely on goods and services due to savings realised from implementing the programme activities virtually and suspension of committees exchange programmes due to the COVID-19 pandemic. Compensation of employees accounted for R11.1 million of the reported expenditure for the period, with goods and services only accounting for R341 000. Goods and services expenditure is mainly driven by external board members fees and Gauteng Speakers Forum activities.

Programme 2: Office of the Secretary

The programme spent R14.6 million during the first half of the financial year as compared to R8.3 million that was spent in the same period of the last financial year, equating to an increase of 76 per cent. The sharp increase is driven by recruitment costs for senior management positions whose five-year contracts are expiring in the current financial year. Both compensation of employees and goods and services accounted for R7.3 million each of the overall expenditure. The reported expenditure on goods and services consists of legal fees, recruitment costs, business process task team training and the printing of Members declaration books.

Programme 3: Corporate Support Services

The programme expenditure for the mid-year increased by 8 per cent, with R224.3 million being spent in the first half of 2021/22 when compared to R207.6 million that was spent in the same period of 2020/21. Compensation of employees accounted for R60.9 million or 27 per cent of the overall programme expenditure, whilst goods and services accounted for R32.9 million or 15 per cent. Operational costs and contractual obligations such as security services, mobile and telecommunication, insurance, license fees and internet services drove goods and services expenditure. Also included in goods and services expenditure is members facilities, bursaries, training and development, ICT strategy, Human Resources strategy and wellness programmes for staff and members.

Transfers to political parties accounted for R129.8 million or 58 per cent of the overall programme spending for the mid-year. Of the total transfers to political parties, an amount of R101.3 million was transferred for political party work and R28.5 million for constituency work.

Payments for capital assets only constituted R712 000 of the overall expenditure for the programme.

Programme 4: Core Business:

At mid-year, the programme has spent R100.7 million in comparison to R97.8 million that was spent in the same period of the 2020/21 financial year, representing an increase of 3 per cent. The reported expenditure increased in both compensation of employees and goods and services. The increase in compensation of employees was driven by 13th cheque payment and goods and services increased due to high demand for online advertising and webinars. The overall programme expenditure for the mid-year is largely driven by compensation of employees at R91.4 million, followed by goods and services at R9.3 million. Expenditure on goods and services comprises advertising and profiling of GPL events and activities, committees' activities and outreach programmes, public education programmes, hansard outsourcing and subscriptions to press-reader and online journals.

Programme 5: Office of the CFO

The programme has spent an amount of R25.9 million during the first half of the financial year as compared to R27.1 million that was spent in the same period of 2020/21, showing a decrease of 5 per cent. The 2021/22 mid-year expenditure decreased due to unfilled vacancies and delays in the procurement of office furniture. Of the total expenditure for the period, compensation of employees accounted for R21.7 million or 84 per cent and goods and services for R4.2 million or 16 per cent. Goods and services expenditure is mainly driven by audit fees, bank charges, inventory, Audit and Risk Committee board member fees as well as maintenance and support fees for the budgeting and risk-management systems.

6. Departmental Receipts

TABLE 2..14: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|---------------------|---|------------------------|----------------------|---------------------------------|
| | Audited Outcome | | | | Preliminary Receipts | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 4 550 | 646 | 1 322 | 29% | 1 637 | 762 | 18% |
| Transfers received | | | | 0% | | | 0% |
| Fines, penalties and forfeits | | | | 0% | | | 0% |
| Interest, dividends and rent on land | 19 438 | 6 082 | 11 894 | 61% | 12 959 | 6 480 | 7% |
| Sales of capital assets | | | | 0% | | | 0% |
| Financial transactions in assets and liabilities | | | | 0% | | | 0% |
| Total | 23 988 | 6 728 | 13 216 | (45)% | 14 596 | 7 242 | 8% |

Revenue trends for the first half of 2021/22

The GPL generates most of its revenue from interest earned on positive bank balances, City Hall bookings and through renting out of the parking space. A total amount of R7.2 million has been collected in the first half of the financial year when compared to R6.7 million that was collected in the same period of 2020/21, representing an increase of 8 per cent. The increase in revenue collection is evident in both sales of goods and services and interest earned. Of the total revenue collected, interest received accounted for R6.5 million or 89 per cent of the total revenue and sales of goods and services accounted for R762 000 or 11 per cent of the overall revenue. Revenue collected under sales of goods and services relate to the parking income.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 2.15 CHANGES TO TRANSFERS AND SUBSIDIES: GAUTENG PROVINCIAL LEGISLATURE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | | |
| Programme 3 | 150 921 | | | 9 000 | | 9 000 | 159 921 |
| Support for Political Party work | 93 969 | | | 9 000 | | 9 000 | 102 969 |
| Support for Constituency work | 56 952 | | | | | | 56 952 |
| Total changes in conditional Name of transfer payments | 150 921 | | | 9 000 | | 9 000 | 159 921 |

Through virements and funds shifts, transfers have been increased by R9 million due to once-off supplementary funding of R1.5 million to each political party in order to assist parties in setting up mechanisms aimed at reaching out to the citizens and shaping their opinions.

Changes to conditional grants

Not applicable.

Changes to infrastructure

Not applicable.

VOTE 3**DEPARTMENT OF ECONOMIC DEVELOPMENT**

| R thousand | 2021/22 | | | |
|------------------------------|------------------------------|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 1 561 763 | 1 782 911 | | 228 726 |
| of which: | | | | |
| Current payments | 456 182 | 452 179 | (4 003) | |
| Transfers and subsidies | 1 090 068 | 1 318 785 | | 228 717 |
| Payments for capital assets | 15 513 | 11 938 | (3 575) | |
| Payment for financial assets | | 9 | | 9 |
| Executive authority | MEC for Economic Development | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission**Vision**

A radically transformed, modernised and re-industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity.

Mission

The mission of the Department of Economic Development in pursuit of its vision is to:

- Ensure radical transformation, modernisation and re-industrialisation of the Gauteng economy;
- Provide an enabling policy and legislative environment for equitable economic growth and development;
- Develop and implement programmes and projects that will:
 - Revitalise Gauteng’s township economies;
 - Build new smart, green, knowledge-based economy and industries;
 - Ensure decent employment and inclusion in key economic sectors;
 - Facilitate radical economic transformation, modernisation and re-industrialisation;
 - Include the marginalised sectors of women, youth and persons with disabilities in mainstream economic activities; and
 - Establish appropriate partnerships for delivery and ensure the DED effectively delivers on its mandate.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 3.1: DEPARTMENT OF ECONOMIC DEVELOPMENT

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 259 908 | | 20 736 | (44 998) | | | (24 262) | 235 646 |
| 2. Integrated Economic Development Service | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |
| 3. Trade and Sector Development | 852 797 | | | (46 551) | | | (46 551) | 806 246 |
| 4. Business Regulation & Governance | 75 686 | | | 17 729 | | | 17 729 | 93 415 |
| 5. Economic Planning | 153 427 | | | 70 361 | | 114 412 | 184 773 | 338 200 |
| Total for Programmes | 1 561 763 | | 20 736 | | | 200 412 | 221 148 | 1 782 911 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 456 182 | | 20 613 | (24 616) | | | (4 003) | 452 179 |
| Compensation of employees | 277 910 | | 220 | (51 685) | | | (51 465) | 226 445 |
| Salaries & wages | 239 586 | | 220 | (42 430) | | | (42 210) | 197 376 |
| Social contribution | 38 324 | | | (9 255) | | | (9 255) | 29 069 |
| Goods and services | 178 272 | | 20 393 | 27 069 | | | 47 462 | 225 734 |
| Transfers and subsidies | 1 090 068 | | | 28 305 | | 200 412 | 228 717 | 1 318 785 |
| Departmental agencies and accounts | 1 090 068 | | | (49 623) | | 86 000 | 36 377 | 1 126 445 |
| Public corporations and private enterprises | | | | 77 403 | | 114 412 | 191 815 | 191 815 |
| Households | | | | 525 | | | 525 | 525 |
| Payments for capital assets | 15 513 | | 123 | (3 698) | | | (3 575) | 11 938 |
| Machinery and equipment | 15 513 | | 123 | (3 698) | | | (3 575) | 11 938 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | 9 | | | 9 | 9 |
| Total economic classification | 1 561 763 | | 20 736 | | | 200 412 | 221 148 | 1 782 911 |

The department's adjustment budget is informed by the July 2021 riots, looting and the upsurge of COVID-19 pandemic. Subsequently, this led the province to introduce the Economic Recovery Plan which aims to mitigate the impact of riots on the economy and to allocate budget towards projects that are geared towards economic recovery and reconstruction of township business. In addition, funds are also reprioritised to augment the Tshwane Automotive Special Economic Zone (TASEZ) operational costs.

The table above illustrates the main appropriation of R1.5 billion, approved rollover of R 20.7 million which relates to 2020/21 accruals and commitments. In addition, an amount of R114.4 million and R86 million is allocated as additional funding for the Tshwane SEZ infrastructure and GEP contract financing respectively.

The Department has implemented strict internal controls (revised its procurement plan and APP) to contain consumption expenditure by directing a greater share of its resources towards the Economic Reconstruction Recovery Plan (ERRP).

The department has shifted an amount of R103 million through virements of funds across its programmes to fund the following Economic Recovery and Reconstruction Plan projects amongst others:

- Lanseria PMO seed financing;
- Tshwane Automotive Special Economic Zone;
- Seed funding for the establishment of the construction inputs and services hub in Munsieville;
- Funding for infrastructure maintenance of the ORTIA Precinct 1;
- Project management office arrangements for the West Rand / N12 development corridor; and
- Additional resources for GIDZ (finance, marketing, infrastructure, risk and security and enterprise development).

Furthermore, an amount of R126 million was shifted to fund projects which were identified towards the achievement of the revised APP. These projects include the establishment of a furniture manufacturing hub, consumer education awareness and impact assessment study, GEP reconfiguration, migration of the compensation of employees for Tourism Supply function

from DED to Gauteng Tourism Authority (GTA) and SMME skills development programme and to establish the Mamelodi IRM Hub.

4. Details of adjustments to estimates of departmental expenditure 2021/22

Programme 1: Administration

TABLE 3.2: PROGRAMME 1: ADMINISTRATION

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1.Office Of The Mec | 8 352 | | | (1 300) | | | (1 300) | 7 052 |
| 2.Office Of The Hod | 17 072 | | 220 | (9 755) | | | (9 535) | 7 537 |
| 3.Financial Management | 57 796 | | | (6 334) | | | (6 334) | 51 462 |
| 4.Corporate Services | 176 688 | | 20 516 | (27 609) | | | (7 093) | 169 595 |
| Total for Programmes | 259 908 | | 20 736 | (44 998) | | | (24 262) | 235 646 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 244 395 | | 20 613 | (41 494) | | | (20 881) | 223 514 |
| Compensation of employees | 140 786 | | 220 | (22 345) | | | (22 125) | 118 661 |
| Salaries & wages | 121 475 | | 220 | (20 076) | | | (19 856) | 101 619 |
| Social contribution | 19 311 | | | (2 269) | | | (2 269) | 17 042 |
| Goods and services | 103 609 | | 20 393 | (19 149) | | | 1 244 | 104 853 |
| Transfers and subsidies | | | | 185 | | | 185 | 185 |
| Provinces and municipalities | | | | | | | | |
| Households | | | | 185 | | | 185 | 185 |
| Payments for capital assets | 15 513 | | 123 | (3 698) | | | (3 575) | 11 938 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 15 513 | | 123 | (3 698) | | | (3 575) | 11 938 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | 9 | | | 9 | 9 |
| Total economic classification | 259 908 | | 20 736 | (44 998) | | | (24 262) | 235 646 |

TABLE 3.3 DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|----------|---|--------|
| Current payments | | (84 786) | | 43 292 |
| Compensation of employees | Funds are shifted to align compensation of employees' budget to where expenditure is incurred on the structure. | (46 676) | Funds are shifted to align compensation of employees' budget to where expenditure is incurred on the structure. | 24 331 |
| Goods and services | Surplus funds have been identified due to the scaling down of projects due to COVID -19 restrictions along with the implementation of cost containment measures under Operating lease, Computer Services and Advertising. | (38 110) | Funds are allocated towards emerging projects such as probity auditors, property payments and the physical security contract. | 18 961 |
| Transfers and subsidies | | | | 185 |
| Provinces and municipalities | | | | |
| Households | | | Funds are allocated to augment the budget for leave gratuity payments. | 185 |
| Payments for capital assets | | (3 698) | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | Surplus funds have been identified due to the high vacancy rate which has a direct link on the provision of tools of trade (laptops, desktops and office furniture). | (3 698) | | |
| Payments for financial assets | | | The budget is allocated to write off of bad debt | 9 |
| Total economic classification | | (88 484) | | 43 486 |

Roll-overs: Provincial R20.7 million

An amount of R20.7 million is rolled over towards the payment of inter-governmental payables, accruals, and commitments with PO's, (Awarded contracts and Committed Contractual obligations with SLA/MOU) for services rendered at the end of 2020/21 financial year.

Virements and shifts

An amount of R22 million is shifted to Programme 3 to projects such as the infrastructure maintenance of the ORTIA Precinct 1, additional resources for GIDZ (finance, marketing, infrastructure, risk and security and enterprise development), Master plan consolidation of the West Rand / N12 development corridor and Project management office arrangements for the West Rand / N12 development corridor.

In addition, an amount of R3.3 million is redirected to Programme 2 towards Seed funding for a township waste economy partnership fund and R19.6 million is shifted to Programme 5 for the Tshwane Automotive Special Economic Zone (TASEZ) operational costs.

Furthermore, an amount of R17.7 million is shifted within goods and services to augment the budget amongst others, for probity auditors and to provide funding for the Gauteng Broadband Network (GBN) implementation. Provision is also made to cater for the procurement of PPE and to fund the safety and security contract.

Lastly, the budget under consultancy services, legal services and contractors is adjusted upwards by R5.9 million to provide funding for the business continuity policy development, emerging litigation matters as well as the implementation of the Protection of Personal Information Act, 2013 (POPIA) and professional counselling services for employees of the department.

Programme 2: Integrated Economic Development Services**TABLE 3.4: PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES**

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Enterprise Development | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |
| 2. Regional & Local Economic Development | | | | | | | | |
| 3. Economic Empowerment | | | | | | | | |
| Total for Programmes | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | | | | | | | | |
| Compensation of employees | | | | | | | | |
| Salaries & wages | | | | | | | | |
| Social contribution | | | | | | | | |
| Goods and services | | | | | | | | |
| Transfers and subsidies | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |
| Departmental agencies and accounts | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |
| Households | | | | | | | | |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |

TABLE 3.5 DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: INTERGRATED ECONOMIC DEVELOPMENT SERVICES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|---------|--|-------|
| Current payments | | | | |
| Compensation of employees | | | | |
| Goods and services | | | | |
| Transfers and subsidies | | (1 891) | | 5 350 |
| Departmental agencies and accounts | GEP reprioritised from their operational budget to fund the GPG B-BBEE Act and Local Production and content regulation compliance. | (1 891) | Provision is towards GEP reconfiguration and seed funding for township waste economy fund. | 5 350 |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (1 891) | | 5 350 |

Virements and shifts

The programme budget reflects a net increase of R89.4 million from the main budget of R219 million to an adjusted budget of R309 million. Through virements, an amount of R3.4 million is redirected from Programme 1: Administration towards seed funding for a township waste economy partnership fund under the broader GEP-IDC platform, leveraging funding available under extended producer responsibility (EPR).

Furthermore, GEP contributed an amount of R1.8 million towards the GPG B-BBEE Act and Local Production and content regulation compliance, through internal reprioritisation from their operational budget.

Additional funding: Provincial R86 million

An amount of R86 million is allocated as additional funding to Gauteng Enterprise Propeller (GEP) for contract financing to support SMMEs. Contract financing relates to suppliers or companies receiving purchase orders from government and private sector, however these SMME's have a challenge in raising working capital to service these purchase orders.

Programme 3: Trade and Sector Development

TABLE 3.6: PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Trade and Investment Promotion | 632 017 | | | (42 903) | | | (42 903) | 589 114 |
| 2. Sector Development | 220 780 | | | (3 648) | | | (3 648) | 217 132 |
| 3. Strategic Initiatives | | | | | | | | |
| Total for Programmes | 852 797 | | | (46 551) | | | (46 551) | 806 246 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | | | | | | | | |
| Compensation of employees | | | | | | | | |
| Salaries & wages | | | | | | | | |
| Social contribution | | | | | | | | |
| Goods and services | | | | | | | | |
| Transfers and subsidies | 852 797 | | | (46 551) | | | (46 551) | 806 246 |
| Departmental agencies and accounts | 852 797 | | | (46 551) | | | (46 551) | 806 246 |
| Non-profit institutions | | | | | | | | |
| Households | | | | | | | | |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 852 797 | | | (46 551) | | | (46 551) | 806 246 |

TABLE 3.7 DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|----------|--|--------|
| Current payments | | | | |
| Compensation of employees | | | | |
| Goods and services | | | | |
| Transfers and subsidies | | (71 667) | | 25 116 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | GGDA transferred the Tshwane Automotive Special Economic Zone (TAHSEZ) operational cost budget to Sector and Industry Development for implementation. | (71 667) | Funds are allocated towards infrastructure maintenance of the ORTIA Precinct 1 ;additional resources for GIDZ (finance, marketing, infrastructure, risk and security and enterprise development); Master plan consolidation of the West Rand / N12 development corridor and Project management office arrangements for the West Rand / N12 development corridor. In addition, funds are shifted to augment the budget for the Tourism Supply function. | 25 116 |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (71 667) | | 25 116 |

Virements and shifts

The programme budget is adjusted downwards by R46 million from the main appropriation of R852.8 million to an adjusted appropriation of R806 million.

An amount of R22 million is redirected to the Gauteng Growth and Development Agency (GGDA) and is disaggregated as follows: R5 million is allocated to the fund the infrastructure maintenance of the ORTIA Precinct 1, R6 million for additional resources for GIDZ (finance, marketing, infrastructure, risk and security and enterprise development), R3 million for the Master plan consolidation of the West Rand / N12 development corridor and R8 million towards the Project management office arrangements for the West Rand / N12 development corridor.

Furthermore, the Gauteng Tourism Authority (GTA) receives R3.1 million towards compensation funding for the Tourism Supply function that will be implemented under GTA.

The GGDA and GTA allocated R10 million and R5,5 million respectively to provide seed funding for the Lanseria Project Management Office (PMO) under Programme 4 Business Regulation and Governance. Furthermore, R49.9 million is shifted from GGDA to Programme 5 for the Tshwane Automotive Special Economic Zone (TASEZ) towards operating costs.

GGDA further contributed R5 million from their operational budget towards the GPG B-BBEE Act and Local Production and content regulation compliance.

Programme 4: Business Regulation and Governance

TABLE 3.8: PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1.Governance | 7 935 | | | (540) | | | (540) | 7 395 |
| 2.Regulation Services | 26 557 | | | 25 537 | | | 25 537 | 52 094 |
| 3.Consumer Protection | 23 867 | | | (737) | | | (737) | 23 130 |
| 4.Liquor Regulation | 16 954 | | | (6 531) | | | (6 531) | 10 423 |
| 5. Gauteng Gambling Board | 373 | | | | | | | 373 |
| Total for Programmes | 75 686 | | | 17 729 | | | 17 729 | 93 415 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 58 359 | | | 24 210 | | | 24 210 | 82 569 |
| Compensation of employees | 53 344 | | | (6 050) | | | (6 050) | 47 294 |
| Salaries & wages | 44 095 | | | (2 196) | | | (2 196) | 41 899 |
| Social contribution | 9 249 | | | (3 854) | | | (3 854) | 5 395 |
| Goods and services | 5 015 | | | 30 260 | | | 30 260 | 35 275 |
| Transfers and subsidies | 17 327 | | | (6 481) | | | (6 481) | 10 846 |
| Departmental agencies and accounts | 17 327 | | | (6 531) | | | (6 531) | 10 796 |
| Households | | | | 50 | | | 50 | 50 |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 75 686 | | | 17 729 | | | 17 729 | 93 415 |

TABLE 3.9 DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------|---|--------|
| Current payments | | (14 433) | | 38 643 |
| Compensation of employees | Funds are shifted to align compensation of employees' budget to where expenditure is incurred on the structure. | (12 573) | Funds are shifted to align compensation of employees' budget to where expenditure is incurred on the structure. | 6 523 |
| Goods and services | Surplus funds are identified due to bid pricing being less than initial estimated budget for the Consumer Education Awareness and Impact Assessment study. The Board performance review project is also being scaled down. | (1 860) | Funds are allocated towards the Consumer Education Awareness, Impact Assessment study and the Impact Evaluation of a supermarket stores projects as well as seed funding of the Lanseria PMO. | 32 120 |
| Transfers and subsidies | | (6 531) | | 50 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | GLB identified surplus funds to be allocated towards funding the economic recovery projects | (6 531) | | |
| Households | | | Funds are allocated to augment the budget for leave gratuity payments. | 50 |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (20 964) | | 38 693 |

Virements and shifts

The programme receives R17.7 million through virements to provide seed funding for the Lanseria Project Management Office (PMO) under Regulation Services.

Furthermore, internal shifting of funds, amounting to R19.9 million between compensation of employees, goods and services and transfers and subsidies are effected to fund the payment of emerging projects such as the Impact Evaluation of the Supermarket stores, seed funding of the Lanseria PMO and to augment the budget for the Consumer Education and Awareness Impact Assessment Study.

Programme 5: Economic Planning

TABLE 3.10: PROGRAMME 5: ECONOMIC PLANNING

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1.Policy & Planning | 26 816 | | | (2 880) | | | (2 880) | 23 936 |
| 2.Research & Development | 8 175 | | | (5 097) | | | (5 097) | 3 078 |
| 3.Knowledge Management | 2 438 | | | (1 409) | | | (1 409) | 1 029 |
| 4.Sector& Industry Development | 97 997 | | | 66 936 | | 114 412 | 181 348 | 279 345 |
| 5.Inclusive Economy | 18 001 | | | 12 811 | | | 12 811 | 30 812 |
| Total for Programmes | 153 427 | | | 70 361 | | 114 412 | 184 773 | 338 200 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 153 427 | | | (7 332) | | | (7 332) | 146 095 |
| Compensation of employees | 83 780 | | | (23 290) | | | (23 290) | 60 490 |
| Salaries & wages | 74 016 | | | (20 158) | | | (20 158) | 53 858 |
| Social contribution | 9 764 | | | (3 132) | | | (3 132) | 6 632 |
| Goods and services | 69 647 | | | 15 958 | | | 15 958 | 85 605 |
| Administrative fees | 30 | | | | | | | 30 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | | | | 77 693 | | 114 412 | 192 105 | 192 105 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|-----------------------|---|------------|-------------------------|------------------------------------|--------------------------------------|----------------------|---------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Higher education institutions | | | | | | | | |
| Public corporations and private enterprises | | | | 77 403 | | 114 412 | 191 815 | 191 815 |
| Non-profit institutions | | | | | | | | |
| Households | | | | 290 | | | 290 | 290 |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Land and sub-soil assets | | | | | | | | |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 153 427 | | | 70 361 | | 114 412 | 184 773 | 338 200 |

TABLE 3.11 DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: ECONOMIC PLANNING

| Economic classification | Motivation | From | Motivation | To |
|---|---|-----------------|--|----------------|
| Current payments | | (55 183) | | 47 851 |
| Compensation of employees | Funds are shifted to align compensation of employees' budget to where expenditure is incurred on the structure. | (35 935) | Funds are shifted to align compensation of employees' budget to where expenditure is incurred on the structure. | 12 645 |
| Goods and services | Surplus funds have been identified due the scaling down of the Care economy strategy developed project, Gauteng clothing and textile business hub, machinery and equipment, Hi-tech advanced manufacturing cluster plan, and establishment of music hubs. Furthermore, the scaling down of the following projects; Gauteng Cooperative financial institutions and growth modernisation programme and Accredited LED Capacitation projects also contributed towards funding the economic recovery and reconstruction projects. | (19 248) | Funds are made available towards the establishment of the construction inputs and services hub in Munsieville ; the development of a business case for support of black industrialists in the machinery and capital equipment sector; the establishment of the Technical Advisory Committee on economic infrastructure (Industrial Parks and SEZ) and Sector Industry programmes (WAR ROOM) . Furthermore ,funding was also allocated towards the SMME skills Development programme and to establish the Mamelodi IRM Hub. | 35 206 |
| Transfers and subsidies | | | | 77 693 |
| Provinces and municipalities | | | | |
| Public corporations and private enterprises | | | Funds are made available to Sector and Industry Development towards operational costs for the Tshwane Automotive Special Economic Zone (TAHSEZ). | 77 403 |
| Households | | | Funds are allocated to augment the budget for leave gratuity payments. | 290 |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (55 183) | | 125 544 |

Virements and shifts

An amount of R70 million is reprioritised to this programme to fund the Tshwane Automotive Special Economic Zone (TASEZ) operating costs and the establishment of the Furniture Manufacturing centres in the Ekurhuleni municipality.

The programme shifted an amount of R48 million from compensation of employees and goods and services to augment the goods and services budget to fund the Economic Recovery Plan projects such as the establishment of the construction inputs and services hub in Munsieville, Resource Efficiency to support SMMEs with renewable energy and energy efficiency technology services, the establishment of the Technical Advisory Committee on economic infrastructure (Industrial Parks and SEZ) and Sector Industry programmes. Furthermore, funding is also allocated towards the SMME skills Development programme and to establish the Mamelodi IRM Hub.

The Sector and Industry Development sub-programme shifted R2 million to GEP for the implementation of GEP Reconfiguration.

Furthermore, GEP, GGDA, Cradle of Humankind and Dinokeng contributed a total of R8 million towards the GPG B-BBEE Act and Local Production and content regulation compliance, which will be implemented under Inclusive Economy branch.

Additional funding: Provincial R114 million

An additional amount of R114 million is allocated towards TASEZ for bulk infrastructure. The department has in the previous financial year availed R200 million for Phase 1, however subsequently Phase 1 A needed to include all investors required for the Ford Motor Company of Southern Africa (FMCSA)'s production of the Ford Ranger to be launched in September 2022. Phase 1 A will house 6 of the 11 investors and funds are allocated for parking, security fencing, shared services and internal bulk connections for these investors.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE3:12 EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/20

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--|--------------------------------|----------------------|---------------------|---|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1.Administration | 267 233 | 102 453 | 212 077 | 79% | 235 646 | 100 514 | (2)% |
| 2.Integrated Economic Development Services | 477 897 | 43 373 | 477 897 | 100% | 309 403 | 128 974 | 197% |
| 3.Trade and Sector Development | 755 595 | 215 822 | 793 672 | 105% | 806 246 | 456 132 | 111% |
| 4.Business Regulation and Governance | 100 322 | 52 187 | 93 849 | 94% | 93 415 | 28 074 | (46)% |
| 5.Economic Planning | 343 545 | 31 500 | 309 849 | 90% | 338 200 | 96 691 | 207% |
| Total | 1 944 592 | 445 335 | 1 887 344 | 97% | 1 782 911 | 810 385 | 82% |
| Current payments | 641 706 | 146 581 | 335 234 | 52% | 452 179 | 165 013 | 13% |
| Compensation of employees | 233 855 | 109 035 | 217 737 | 93% | 226 445 | 106 378 | (2)% |
| Goods and Services | 407 851 | 37 546 | 117 497 | 29% | 225 734 | 58 635 | 56% |
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 1 287 906 | 290 138 | 1 539 347 | 120% | 1 318 785 | 641 669 | 121% |
| Departmental agencies and accounts | 1 285 924 | 289 731 | 1 322 601 | 103% | 1 126 445 | 592 260 | |
| Households | 445 | 407 | 1 209 | 272% | 525 | 316 | () |
| Payments for capital assets | 14 980 | 8 616 | 12 754 | 85% | 11 938 | 3 695 | (57)% |
| Buildings and other fixed structures | | | | | | | |
| Machinery and equipment | 14 980 | 8 616 | 12 754 | 85% | 11 938 | 3 695 | (57)% |
| Software and other intangible assets | | | | | | | |
| Payments for financial assets | | | 9 | | 9 | 8 | |
| Total | 1 944 592 | 445 335 | 1 887 344 | 97% | 1 782 911 | 810 385 | 82% |

Expenditure trends for 2020/21

During the 2020/21 financial year, the department spent R1.8 billion of the adjusted budget of R1.9 billion.

The underspending of R57 million is attributed to the vacant positions that could not be filled, as advertisement and shortlisting could not take place due to the emergence of Covid-19 pandemic. The slow spending under Goods and Services is attributed to delays in appointing service providers, overestimation of the printing needs, the emergence of Covid-19 resulted in a halt of marketing activities, protracted external probity audit processes causing delays in appointing service providers as well as the late signing of the SLA and MOU.

The underspending on Machinery and Equipment is because of non- procurement of SMS furniture, which coincide with none filling of vacant position for SMS's.

Preliminary expenditure trends for the first half of 2021/22

Programme 1: Administration

The expenditure totals R101 million against the main appropriation budget of R259 million by the end of September. The underspending is attributed to the high rate of vacant posts at SMS level, the delayed implementation of projects as per the approved procurement plan as well as the impact of the lockdown of the economy due to the Covid-19 pandemic.

Programme 2: Integrated Economic Development Services

A total amount of R128.9 million had been transferred to GEP at the end of the 2nd quarter. Transfers are made according to the cash flow projections provided by the entity.

Programme 3: Trade and Sector Development

The expenditure under Programme 3 amounts to R456 million against the budget of R852 million. A total amount of R64 million has been transferred to GTA, R26 million to Cradle of Humankind and Dinokeng R18.7 million as at the end of the second quarter. GGDA has received R346.9 million as at September 2021. Transfers are made according to the cash flow projections provided by the entity.

Programme 4: Business Regulation and Governance

Programme 4 has incurred expenditure amounting to R28 million against its initial allocated budget of R75.6 million at the end of the second quarter. The underspending relates to delays in filling vacant positions, delay in implementing the projects on the approved procurement plan as well as the cancellation of projects because of the impact of the lockdown of the economy due to the Covid-19 pandemic

Programme 5: Economic Planning

At the end of quarter 2, the programme recorded an expenditure of R96.7 million against its original budget of R153 million. The expenditure relates to transfer payment of R49 million to the Tshwane Automotive Special Economic Zone (TASEZ) operating costs. The programme has projects which are still undergoing different tender stages such as: Subscription to the Economic Data Services and Financial Sector Framework.

6. Departmental Receipts

TABLE 3.13 DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|---------------------|------------------------|---|----------------------|---------------------------------|-----------|
| | Adjusted appropriation | Audited Outcome | | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Preliminary Receipts | | |
| Apr 2020 - Sept 2020 | | Apr 2020 - Mar 2021 | Adjusted appropriation | | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept | |
| R thousand | | | | | | | |
| Tax receipts | 1 110 611 | | 736 862 | 451% | 1 162 937 | 431 546 | |
| Casino taxes | 1 068 611 | | 482 356 | (55)% | 740 384 | 279 543 | 0% |
| Horse racing taxes | 42 000 | | 254 506 | 506% | 422 553 | 152 003 | 0% |
| Sales of goods and services other than capital assets | 480 | 108 | 215 | (55)% | 506 | (43 145) | (40049)% |
| Interest, dividends and rent on land | 2 554 | 1 | 1 147 | (55)% | 3 523 | 159 | 15800% |
| Sales of capital assets | | | | 0% | | | 0% |
| Financial transactions in assets and liabilities | 351 | | 246 | (30)% | 381 | 403 | 0% |
| Total | 1 113 996 | 109 | 738 470 | (34)% | 1 167 347 | 388 963 | 356746.8% |

Revenue trends for the first half of the 2021/22 financial year

The table above shows the contribution of each revenue source towards the total revenue generated from April to September 2021.

The revenue collected by the Department as at the end September 2021/22 financial year is R388 million against a total revenue appropriation of R1 billion.

Analysis of collection by revenue type indicates following:

Tax receipts (Casino, Horse racing taxes and Bookmakers) - The collection under tax receipts as of 30 September 2021/22 financial year is R431.5 million.

The 8 per cent Commission amounting to R43 million was paid to Gauteng Gambling Board (GGB) as of 30 September 2021, results from the Casino, Horse racing taxes and Bookmaker's revenue collected by Gauteng Gambling Board (GGB) on behalf of the Department.

Sales of goods and services excluding the commission payments to GGB resulted in 10 per cent collection for the period as of 30 September 2021. The Covid-19 Pandemic had a negative impact on the estimated revenue collection on the Tourism sector which includes Rental dwellings and Tourist guides which was affected by the accommodation establishments and professional services such as tourist guides, tour operators, travel agents and tourism information officers which were not allowed to operate under certain levels of the National Lockdown.

At the time of reporting the Department had not received any revenue from Cradle of Humankind and Dinokeng pertaining to the Rental dwellings and Tourist guides revenue sources.

The department had no sales of capital assets for the period under review.

Interest, dividends and rent on land – the bulk of the interest that gets generated are derived from the trust account of the GGB. The halt in gambling operations due to the national lockdown resulted in the decrease of interest generated. The total interest collected as of 30 September 2021 amounted to R159 000.

Financial transactions in assets and liabilities – This category is mainly used for the recording of other types of receipts (such as overpayments of salaries, revenue that relates to previous financial years as well as the repayment of debts by employees and ex-employees such as contractual debts arising from bursaries). The Department has collected R403 000 to date out of the estimated collection of R381 000 which resulted on an over-collection of R22 000.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 3.14 CHANGES TO TRANSFERS TO PUBLIC ENTITIES

| R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 2 | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |
| Gauteng Enterprise Propeller (GEP) | 219 944 | | | 3 459 | | 86 000 | 89 459 | 309 403 |
| Programme 3 | 852 797 | | | (46 551) | | | (46 551) | 806 246 |
| Gauteng Growth and Development Agency (GGDA) | 632 017 | | | (42 903) | | | (42 903) | 589 114 |
| Gauteng Tourism Authority (GTA) | 126 465 | | | (2 456) | | | (2 456) | 124 009 |
| Cradle of Humankind World Heritage Site (COHWHS) | 55 395 | | | (694) | | | (694) | 54 701 |
| Dinokeng | 38 920 | | | (498) | | | (498) | 38 422 |
| Programme 4 | 17 327 | | | (6 481) | | | (6 481) | 10 846 |
| Gauteng Gambling Board (GGB) | 373 | | | | | | | 373 |
| Gauteng Liquor Board (GLB) | 16 954 | | | (6 531) | | | (6 531) | 10 423 |
| Programme 5 | | | | 77 693 | | 114 412 | 192 105 | 192 105 |
| Public corporations and private enterprises | | | | 77 403 | | 114 412 | 191 815 | 191 815 |
| Total changes in conditional Name of transfer payments | 1 090 068 | | | 28 120 | | 200 412 | 228 532 | 1 318 600 |

Transfers and subsidies increased by a net amount of R228 million resulting in an adjusted appropriation of R1.3 billion. The net increase is mainly due to the additional funding received for GEP contract financing and Tswane SEZ infrastructure which is allocated under Public corporations and private enterprises. In addition, funds which become available are primarily due to delays in the implementation of projects as a result of COVID-19 lockdown restrictions.

Gauteng Enterprise Propeller

The Entity's budget is adjusted upwards by R89 million from the main appropriation of R219 million to an adjusted appropriation of R309 million. An amount of R86 million is allocated as additional funding for contract financing to support

SMMEs. Contract financing relates to suppliers or companies receiving purchase orders from government and private sector, however these SMME's have a challenge in raising working capital to service these purchase orders.

Through virements and shifts, the entity received R2 million for the implementation of the GEP Reconfiguration and R3.3 million seed funding for a township waste economy partnership fund under the broader GEP-IDC platform, leveraging funding available under extended producer responsibility (EPR). The entity also contributed R1.9 million towards the GPG Broad-Based Black Economic Empowerment B-BBEE Act and Local Production and content regulation compliance. Compliance with the B-BBEE Act will result in the realisation of other provincial developmental objectives such as localisation, enterprise and supplier development.

Gauteng Tourism Authority

GTA's budget decreases by R2.4 million, the funds are redirected towards the Economic Recovery plan projects.

An amount of R5.5 million is redirected from Bidding and Hosting and project evaluation projects as a result of cancelled events emanating from the impact of Covid-19 and these budgets was allocated towards the TASEZ operational costs. Furthermore, through virements and shifts, an amount of R3.1 million is allocated to fund the Tourism Supply function.

Gauteng Growth and Development Agency

The budget for the GGDA is adjusted downwards by R42.9 million. The funds are redirected to programme 5 for the implementation of the Tshwane Automotive Hub Special Economic Zone (TAHSEZ) operational costs.

Furthermore, funds amounting to R5 million are allocated to the fund the infrastructure maintenance of the ORTIA Precinct 1; R6 million for additional resources for GIDZ (finance, marketing, infrastructure, risk and security and enterprise development); R3 million for the master plan consolidation of the West Rand / N12 development corridor; and R8 million towards the Project management office arrangements for the West Rand / N12 development corridor.

GGDA further contributed R5 million towards the GPG B-BBEE Act and Local Production and content regulation compliance.

Cradle of Humankind and Dinokeng

An amount of R694 000 and R497 000 is reprioritized within Cradle of Humankind and Dinokeng respectively, towards the budget of the GPG B-BBEE Act and Local Production and content regulation compliance.

Gauteng Liquor Board

An amount of R6.5 million is redirected from GLB transfers towards funding of emerging projects such as the Impact Evaluation of the Supermarket stores, seed funding of the Lanseria PMO and to augment the budget for the Consumer Education and Awareness Impact Assessment Study.

Changes to infrastructure

Not applicable.

VOTE 4**DEPARTMENT OF HEALTH**

| R thousand | 2021/22 | | | |
|------------------------------|--------------------|------------------------|----------|-----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 56 505 266 | 59 625 510 | | 3 120 244 |
| of which: | | | | |
| Current payments | 52 071 348 | 54 615 144 | | 2 543 796 |
| Transfers and subsidies | 1 800 539 | 1 800 575 | | 36 |
| Payments for capital assets | 2 633 379 | 3 209 791 | | 576 412 |
| Payment for financial assets | | | | |
| Executive authority | MEC for Health | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission**Vision**

A responsive, value-based and people centred health care system in Gauteng.

Mission

The Gauteng Department of Health defines its mission as follows:

- Transforming the health care system through the implementation of National Health Insurance; Enhancing the patients experience of care;
- Improving the quality, safety and quantity of health services provided, with a focus on primary health care;
- Strengthening public health education and health promotion;
- Optimising the health sector contribution to socio-economic development; and
- Ensuring a responsive, innovative and digitally transformed health system.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 4.1 DEPARTMENT OF HEALTH

| Programmes R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------|-----------------------|---|----------------|-------------------------|------------------------------------|--------------------------------------|----------------------|---------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 1 242 528 | | 96 346 | (67 025) | 20 426 | | 49 747 | 1 292 275 |
| 2. District Health Services | 19 596 571 | | 4 752 | 47 807 | 620 878 | 206 513 | 879 950 | 20 476 521 |
| 3. Emergency Medical Services | 1 566 846 | | | | 52 459 | | 52 459 | 1 619 305 |
| 4. Provincial Hospital Services | 10 622 660 | | 13 776 | (50 026) | 411 707 | 83 781 | 459 238 | 11 081 898 |
| 5. Central Hospital services | 19 602 614 | | 387 580 | 69 244 | 667 719 | 265 150 | 1 389 693 | 20 992 307 |
| 6. Health Sciences & Training | 1 207 990 | | | (11 077) | 88 487 | | 77 410 | 1 285 400 |
| 7. Health Care Support Services | 390 385 | | | 11 077 | 13 412 | | 24 489 | 414 874 |
| 8. Health Facilities Management | 2 275 672 | | 164 585 | | 1 333 | 21 340 | 187 258 | 2 462 930 |
| Total for programmes | 56 505 266 | | 667 039 | | 1 876 421 | 576 784 | 3 120 244 | 59 625 510 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|-----------------------|---|----------------|-------------------------|------------------------------------|--------------------------------------|----------------------|---------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 52 071 348 | | 196 694 | (84 763) | 1 876 421 | 555 444 | 2 543 796 | 54 615 144 |
| Compensation of employees | 33 323 206 | | | 148 916 | 1 801 862 | 555 444 | 2 506 222 | 35 829 428 |
| Salaries & wages | 28 999 648 | | | 185 202 | 1 801 862 | 555 444 | 2 542 508 | 31 542 156 |
| Social contribution | 4 323 558 | | | (36 286) | | | (36 286) | 4 287 272 |
| Goods and services | 18 748 142 | | 196 694 | (233 679) | 74 559 | | 37 574 | 18 785 716 |
| Transfers and subsidies | 1 800 539 | | | 36 | | | 36 | 1 800 575 |
| Provinces and municipalities | 470 568 | | | | | | | 470 568 |
| Departmental agencies and accounts | 24 636 | | | | | | | 24 636 |
| Higher education institutions | 16 309 | | | | | | | 16 309 |
| Non-profit institutions | 705 868 | | | | | | | 705 868 |
| Households | 583 158 | | | 36 | | | 36 | 583 194 |
| Payments for capital assets | 2 633 379 | | 470 345 | 84 727 | | 21 340 | 576 412 | 3 209 791 |
| Buildings and other fixed structures | 1 341 480 | | 68 989 | (253 376) | | 21 340 | (163 047) | 1 178 433 |
| Machinery and equipment | 1 291 899 | | 401 356 | 338 103 | | | 739 459 | 2 031 358 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 56 505 266 | | 667 039 | | 1 876 421 | 576 784 | 3 120 244 | 59 625 510 |

The appropriation of the Gauteng Department of Health is adjusted upward by a net amount of R3.1 billion to an adjusted appropriation of R59.6 billion.

A total amount of R667 million is appropriated as a roll-over from the preceding financial year of which R260.9 million is for equitable share and R406.1 million for conditional grants. The conditional grants roll-over is mainly for the payment of the previous financial years' commitments under machinery and equipment. Furthermore, the equitable share roll-over is received to cover commitments on maintenance, capex and personal protective equipment which were not paid by end of 2020/21 financial year.

The department also receives R1.9 billion as an additional funding from the national government of which an amount of R113.3 million is allocated for the appointment of health professionals through the Statutory Human Resource Training and Development conditional grant and R74.6 million is allocated to the Presidential Youth Employment Initiative to appoint health staff and assistant nurses. Furthermore R1.7 billion is allocated towards the implementation of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021. An amount of R7 million is allocated to Mental Health Services Component towards the appointment of additional mental health professionals in the department.

An additional R576.7 million is received from the province, of which R555.4 million is allocated to the COVID-19 Human Resource Response and R21.3 million is allocated to cover the shortfall identified for fire incident infrastructure project at the Charlotte Maxeke Johannesburg Academic Hospital.

The adjustment budget is also largely informed by the outcome of both the mid-year budget and performance assessment as well as the revised spending projections for the second half of the financial year.

Budget is further reprioritised from low-performing activities due to the effects of COVID-19 lockdown regulations to non-negotiable items and areas experiencing budgetary pressures. The shifts and virements process led to unspent funds and savings to a total amount of R233.7 million from goods and services and R253.4 million from building and other fixed structure, primarily due to implementation of cost-containment measures and delays in the performance of activities following the COVID-19 lockdown regulations.

The savings from goods and services is reallocated to both compensation of employees and machinery and equipment. Reprioritisation of budget to compensation of employees relate to the appointment of Alternative Building Technology (ABT) staff and additional budget is reprioritised towards machinery and equipment for the recapitalisation of emergency medical service vehicles. Furthermore, reprioritisation considers the increased demand to procure Personal Protective Equipment (PPE) across health facilities. The department also effected reprioritisation within goods and services to alleviate excess budget pressure experienced on non-negotiable items because of accrued liabilities and the higher need for services from patients. More funds were shifted to realign infrastructure budget within the programme based on a critical review of progress made and an assessment of what can be delivered during the remainder of the financial year. Further shifts were made to cover the shortfall in multiple projects that are progressing well, and for the hospital fire incident at the Charlotte Maxeke Johannesburg Academic Hospital.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 4.2 PROGRAMME 1: ADMINISTRATION

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|----------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Office of The MEC | 25 364 | | | | 164 | | 164 | 25 528 |
| 2. Management | 1 217 164 | | 96 346 | (67 025) | 20 262 | | 49 583 | 1 266 747 |
| Total for programme | 1 242 528 | | 96 346 | (67 025) | 20 426 | | 49 747 | 1 292 275 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 1 227 538 | | 96 346 | (109 154) | 20 426 | | 7 618 | 1 235 156 |
| Compensation of employees | 555 233 | | | (12 350) | 20 426 | | 8 076 | 563 309 |
| Salaries & wages | 495 025 | | | (12 350) | 20 426 | | 8 076 | 503 101 |
| Social contribution | 60 208 | | | | | | | 60 208 |
| Goods and services | 672 305 | | 96 346 | (96 804) | | | (458) | 671 847 |
| Transfers and subsidies | 3 427 | | | | | | | 3 427 |
| Provinces and municipalities | | | | | | | | |
| Households | 3 427 | | | | | | | 3 427 |
| Payments for capital assets | 11 563 | | | 42 129 | | | 42 129 | 53 692 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 11 563 | | | 42 129 | | | 42 129 | 53 692 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 1 242 528 | | 96 346 | (67 025) | 20 426 | | 49 747 | 1 292 275 |

TABLE 4.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|--|-----------|--|--------|
| Current payments | | (148 931) | | 39 777 |
| Compensation of employees | Shifting of funds due to delays in creation of posts on earmarked funding for COVID-19 roll-out. | (12 350) | | |
| Goods and services | Shifting of budget due to slow spending as a result of lockdown restrictions. | (136 581) | Reprioritisation of funds towards the appointment of data capturers on the Tshepo 1 million programme to support the COVID-19 vaccination roll-out project. Provision is | 39 777 |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|------------|-----------|---|--------|
| Interest and rent on land | | | made towards enhancement of departmental communication. | |
| Transfers and subsidies | | | | |
| Departmental agencies and accounts | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | 42 129 |
| Buildings and other fixed structures | | | Funds are shifted towards COVID-19 machinery and equipment accruals. Reprioritisation of funds towards procurement of tools of trade for the data capturers on the Tshepo 1 million programme to support the COVID-19 vaccination roll-out project. | 42 129 |
| Machinery and equipment | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (148 931) | | 81 906 |

Roll-overs: R96.3 million

A total of R96.3 million is a roll-over for the payment of previous financial year's PPE commitments.

Virements and shifts

Funds are shifted within the goods and services item because of COVID-19 lockdown regulations. Reprioritisation of funds from compensation of employees towards the appointment of data capturers on the Tshepo 1 million programme to support the COVID-19 vaccination roll-out project.

Budget for machinery and equipment increases by R42.1 million for the procurement of tools of trade for the data capturers on the Tshepo 1 million programme to support the COVID-19 vaccine roll-out project and towards payment of accruals for the COVID-19 machinery and equipment.

A net amount of R96.8 million in goods and services is made of R127.5 million virement towards appointment of ABT staff in District and Central Hospitals programmes, R22.2 million received through a virement to pay accruals for COVID-19 PPEs procured under consumable supplies and R8.5 million reprioritised within goods and services items.

Additional Funding: National R20.4 million

An amount of R20.4 million is allocated towards the implementation of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021.

Programme 2: District Health Services

TABLE 4.4 PROGRAMME 2: DISTRICT HEALTH SERVICES

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. District Management | 1 207 502 | | | (13 092) | 242 479 | 44 912 | 274 299 | 1 481 801 |
| 2. Community Health Clinics | 2 709 426 | | | 10 388 | 20 419 | | 30 807 | 2 740 233 |
| 3. Community Health Centres | 2 390 526 | | | | 23 022 | | 23 022 | 2 413 548 |
| 4. Community Based Services | 2 469 219 | | 259 | 2 704 | 143 956 | | 146 919 | 2 616 138 |
| 5. HIV And AIDS | 6 207 909 | | 4 493 | | 18 173 | | 22 666 | 6 230 575 |
| 6. Nutrition | 68 814 | | | | | | | 68 814 |
| 7. Coroner Services | 337 155 | | | | 10 129 | 12 588 | 22 717 | 359 872 |
| 8. District Hospitals | 4 206 020 | | | 47 807 | 162 700 | 149 013 | 359 520 | 4 565 540 |
| Total for programme | 19 596 571 | | 4 752 | 47 807 | 620 878 | 206 513 | 879 950 | 20 476 521 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 18 462 776 | | 4 752 | 57 327 | 620 878 | 206 513 | 889 470 | 19 352 246 |
| Compensation of employees | 10 565 916 | | | 72 022 | 620 878 | 206 513 | 899 413 | 11 465 329 |
| Salaries & wages | 9 173 308 | | | 80 533 | 620 878 | 206 513 | 907 924 | 10 081 232 |
| Social contribution | 1 392 608 | | | (8 511) | | | (8 511) | 1 384 097 |
| Goods and services | 7 896 860 | | 4 752 | (14 695) | | | (9 943) | 7 886 917 |
| Transfers and subsidies | 927 550 | | | | | | | 927 550 |
| Provinces and municipalities | 470 568 | | | | | | | 470 568 |
| Non-profit institutions | 423 868 | | | | | | | 423 868 |
| Households | 33 114 | | | | | | | 33 114 |
| Payments for capital assets | 206 245 | | | (9 520) | | | (9 520) | 196 725 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 206 245 | | | (9 520) | | | (9 520) | 196 725 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 19 596 571 | | 4 752 | 47 807 | 620 878 | 206 513 | 879 950 | 20 476 521 |

TABLE 4.5: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: DISTRICT HEALTH SERVICES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|-----------|---|---------|
| Current payments | | (120 953) | | 178 280 |
| Compensation of employees | Shifting of compensation of employees' budget to align with expenditure mainly within district management sub-programme. | (15 931) | Shifting of compensation of employees' budget to align with expenditure mainly within district management sub-programme. Virement of funds to activate ABT posts to make additional hospital beds functional. | 87 953 |
| Goods and services | Shifting of funds as a result of reduced number of inpatients in some institutions due lockdown regulations. | (105 022) | Funds are reprioritised for the procurement of physiotherapy equipment such as wheelchairs and buggies. Provision is also made for high demand of oxygen supply due to COVID-19. | 90 327 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (350) | | 350 |
| Non-profit institutions | | | | |
| Households | Realignment of budget within District Management Sub-Programme. | (350) | Realignment of budget within District Management Sub-Programme. | 350 |
| Payments for capital assets | | (12 950) | | 3 430 |
| Machinery and equipment | Reclassification of budget for the payment of GG finance lease that used to be under machinery and equipment. | (12 950) | Funds shifted to cater for mobile fridges that are urgently required. | 3 430 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |

| Economic classification | Motivation | From | Motivation | To |
|-------------------------------|------------|-----------|------------|---------|
| Total economic classification | | (134 253) | | 182 060 |

Roll-overs: R4.8 million

A total of R4.8 million is rolled over of which R259 000 is for the provision of Project Management training under the Social Sector EPWP Incentive grant and R4.5 million is for payment of commitments on the uniform allowance under the Community Outreach Services component of the HIV, TB, Malaria and Community Outreach grant.

Virements and shifts

Funds are reprioritised within the programme due to slow spending because of the COVID-19 lockdown regulations. These funds are reallocated within goods and services items for the procurement of consumable supplies, physiotherapy equipment such as wheelchairs and buggies and to provide for the high demand for oxygen supply due to the COVID-19 pandemic. A further R3.4 million is shifted within coroner services for the procurement of mobile fridges.

A net amount of R47.8 is through a virement of which R58.3 million is made available from Programme 1: Administration to the Sub-Programme: District Hospitals towards the appointment of additional staff to operationalise the ABT beds. The remaining amount of R10.5 million is shifted from machinery and equipment and operating payments due to slow spending to Programme 1: Administration to cover excess COVID-19 expenditure in consumable supplies.

Additional Funding: National R620.8 million

An amount of R620.1 million is allocated of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021. An additional R7 million is allocated to the Mental Health Services Component towards the appointment of additional mental health professionals within the department.

Additional Funding: Provincial R206.5 million

An amount of R206.5 million is allocated to District Management, Coroner Services and District Hospitals sub-programmes from the province to respond to the COVID-19 Human Resource needs.

Programme 3: Emergency Medical Services

TABLE 4.6: PROGRAMME 3: EMERGENCY MEDICALS SERVICES

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Emergency Transport | 1 318 871 | | | 6 000 | 47 532 | | 53 532 | 1 372 403 |
| 2. Planned Patient Transport | 247 975 | | | (6 000) | 4 927 | | (1 073) | 246 902 |
| Total for programme | 1 566 846 | | | | 52 459 | | 52 459 | 1 619 305 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 1 340 609 | | | (116 511) | 52 459 | | (64 052) | 1 276 557 |
| Compensation of employees | 870 724 | | | 20 000 | 52 459 | | 72 459 | 943 183 |
| Salaries & wages | 766 237 | | | 20 000 | 52 459 | | 72 459 | 838 696 |
| Social contribution | 104 487 | | | | | | | 104 487 |
| Goods and services | 469 885 | | | (136 511) | | | (136 511) | 333 374 |
| Transfers and subsidies | 3 307 | | | | | | | 3 307 |
| Provinces and municipalities | | | | | | | | |
| Households | 3 307 | | | | | | | 3 307 |
| Payments for capital assets | 222 930 | | | 116 511 | | | 116 511 | 339 441 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 222 930 | | | 116 511 | | | 116 511 | 339 441 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 1 566 846 | | | | 52 459 | | 52 459 | 1 619 305 |

TABLE 4.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: EMERGENCY MEDICAL SERVICES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|-----------|--|---------|
| Current payments | | (141 511) | | 25 000 |
| Compensation of employees | | | Shifting of budget to alleviate pressure due to continuous recruitment post the provincialisation of all metros. | 20 000 |
| Goods and services | Shifting of budget necessitated by saving on items as a result of lockdown and delays in the tender processes for the Computer Aided Dispatching (CAD) Solution. Shifting of budget is also necessitated by saving on items as a result of lockdown restrictions. | (141 511) | Provision is made for licence and renewal payments for recently purchased ambulances. | 5 000 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | 116 511 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Funds are reprioritised due to EMS regulations and for the recapitalisation of fleet services. | 116 511 |
| Payments for financial assets | | | | |
| Total economic classification | | (141 511) | | 141 511 |

Virements and shifts

A saving of R136.5 million in goods and services is from slow spending items within the programme due to the implementation of lockdown regulations and delays in tender processes relating to the Computer Aided Dispatching Solution. This amount was shifted to machinery and equipment for the recapitalisation of fleet services. A further shifting of R20 million to compensation of employees is for the continuous recruitment because of the provincialisation of all metros, and provision is also made for payment of overtime during festive season.

Additional Funding: National: R52.4 million

An amount of R52.4 million is allocated for the implementation of the non-pensionable cash subsidy for all employees on salary levels 1-12 as well as 1.5 per cent pay progression for those who would ordinarily not eligible for this progression in line with the 2021/22 public sector wage agreement.

Programme 4: Provincial Hospital Services

TABLE 4.8: PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. General Hospitals | 7 641 886 | | 7 190 | (42 600) | 310 055 | 61 821 | 336 466 | 7 978 352 |
| 2. Tuberculosis Hospitals | 370 849 | | | (16 353) | 10 650 | | (5 703) | 365 146 |
| 3. Psychiatric/Mental Hospitals | 1 856 533 | | 19 | 17 100 | 61 414 | 18 742 | 97 275 | 1 953 808 |
| 4. Dental Training Hospitals | 646 602 | | 6 567 | (8 173) | 24 677 | 3 218 | 26 289 | 672 891 |
| 5. Other Specialised Hospitals | 106 790 | | | | 4 911 | | 4 911 | 111 701 |
| Total for programme | 10 622 660 | | 13 776 | (50 026) | 411 707 | 83 781 | 459 238 | 11 081 898 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 10 445 300 | | | (23 789) | 411 707 | 83 781 | 471 699 | 10 916 999 |
| Compensation of employees | 7 557 934 | | | | 411 707 | 83 781 | 495 488 | 8 053 422 |
| Salaries & wages | 6 600 839 | | | | 411 707 | 83 781 | 495 488 | 7 096 327 |
| Social contribution | 957 095 | | | | | | | 957 095 |
| Goods and services | 2 887 366 | | | (23 789) | | | (23 789) | 2 863 577 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 18 080 | | | | | | | 18 080 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Non-profit institutions | | | | | | | | |
| Households | 18 080 | | | | | | | 18 080 |
| Payments for capital assets | 159 280 | | 13 776 | (26 237) | | | (12 461) | 146 819 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 159 280 | | 13 776 | (26 237) | | | (12 461) | 146 819 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 10 622 660 | | 13 776 | (50 026) | 411 707 | 83 781 | 459 238 | 11 081 898 |

TABLE 4.9: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------|--|--------|
| Current payments | | (72 410) | | 48 621 |
| Compensation of employees | The department is reprioritising funding by down scaling institutions' budgets to prioritise the COVID-19 Response Plan. Virement of funds from the Programme is made towards COVID-19 commitments and expenditure in Administration Programme. Shifting of budget is due to slow spending and lockdown regulations resulted in budget saving. | (72 410) | Realignment of the budget between sub-programmes to accommodate increased expenditure due to COVID-19 activities and accruals, mainly the procurement of surgical/medical supplies and high demand of oxygen supply due to COVID-19. Provision is also made to cover high demand of PPEs due to COVID-19 pandemic. | 48 621 |
| Goods and services | | | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | (26 237) | | |
| Machinery and equipment | Virement of funds from the Programme is made towards COVID-19 commitments and expenditure in Administration Programme. | (26 237) | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |

| Economic classification | Motivation | From | Motivation | To |
|-------------------------------|------------|----------|------------|--------|
| Total economic classification | | (98 647) | | 48 621 |

Roll-overs: R13.7 million

An amount of R13.7 million is rolled over for the payment of commitments on medical and allied equipment that was procured in the previous financial year, of which R6.5 million is from National Tertiary Services conditional grant and R7.2 million the Training and Development Grant component of the Statutory Human Resource Training and Development conditional grant.

Virements and shifts

The programme budget decreases by R50 million due to slow spending on planned activities because of COVID-19 lockdown regulations and a virement is effected to Programme 1: Administration to defray excess expenditure on consumable supplies as well as machinery and equipment.

Further shifts are implemented within the programme to alleviate excess expenditure on non-negotiable items to ensure that healthcare service delivery is not negatively affected. Realignment of budget is also done to accommodate the increased expenditure due to COVID-19 activities and accruals.

Additional Funding: National R411.7 million

Additional funding allocated to this programme is R411.7 million of which R382.7 is towards the implementation of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021. A further R29 million is allocated for the appointment of health professionals through Statutory Human Resource Training and Development grant.

Additional Funding: Provincial: R83.7 million

An amount of R83.7 million is allocated to general, psychiatric and dental hospitals from the provincial allocation to respond to the COVID-19 human resource needs.

Programme 5: Central Hospital Services

TABLE 4.10 PROGRAMME 5: CENTRAL HOSPITAL SERVICES

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Central Hospitals | 15 215 572 | | 330 579 | (107 739) | 456 010 | 242 695 | 921 545 | 16 137 117 |
| 2. Provincial Tertiary Hospital Services | 4 387 042 | | 57 001 | 176 983 | 211 709 | 22 455 | 468 148 | 4 855 190 |
| Total for programme | 19 602 614 | | 387 580 | 69 244 | 667 719 | 265 150 | 1 389 693 | 20 992 307 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 18 596 076 | | | 69 244 | 667 719 | 265 150 | 1 002 113 | 19 598 189 |
| Compensation of employees | 12 923 305 | | | 69 244 | 667 719 | 265 150 | 1 002 113 | 13 925 418 |
| Salaries & wages | 11 211 417 | | | 107 669 | 667 719 | 265 150 | 1 040 538 | 12 251 955 |
| Social contribution | 1 711 888 | | | (38 425) | | | (38 425) | 1 673 463 |
| Goods and services | 5 672 771 | | | | | | | 5 672 771 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 329 245 | | | | | | | 329 245 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Non-profit institutions | 282 000 | | | | | | | 282 000 |
| Households | 47 245 | | | | | | | 47 245 |
| Payments for capital assets | 677 293 | | 387 580 | | | | 387 580 | 1 064 873 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 677 293 | | 387 580 | | | | 387 580 | 1 064 873 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 19 602 614 | | 387 580 | 69 244 | 667 719 | 265 150 | 1 389 693 | 20 992 307 |

TABLE 4.11: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: CENTRAL HOSPITAL SERVICES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|------------------|--|----------------|
| Current payments | | (370 108) | | 439 352 |
| Compensation of employees | Realignment of compensation of employees' budget to align with compensation of employees. | (40 952) | Realignment of compensation of employees' budget to align with expenditure and further budget is made available through a virement of funds to activate ABT posts to make additional hospital beds functional. | 110 196 |
| Goods and services | Fund are shifted to realign the budget that was allocated for the COVID-19 vaccine rollout. Shifting of budget is due to slow spending and saving on items is realised as a result of lockdown restrictions. | (329 156) | Funds were reprioritised towards emerging and pressing COVID-19 activities. These activities include increased demand PPE and increased costs for consumables supplies (PPEs) for staff and patients. | 329 156 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Departmental agencies and accounts | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (370 108) | | 439 352 |

Roll-overs: R387.6 million

An amount of R387.6 million is rolled over for the payment of commitment on medical and allied equipment procured in the previous financial year, of which R349.8 million is approved for National Tertiary Services grant and R37.8 million for Training and Development component of the Statutory Human Resource Training and Development grant.

Virements and shifts

The programme receives R69.2 million towards the appointment of ABT structure posts within the hospitals. A shifting of R200 million from the medicine item which is earmarked shifts to consumable supplies and medical supplies towards the procurement of consumable items utilised during the COVID-19 vaccination programme.

In addition, shifting of budget within the sub-programmes is also affected to defray excess expenditure under laboratory services, medical supplies and consumable supplies. This shifting is from slow spending items because of the COVID-19 regulations.

Additional Funding: National R667.7 million

A total of R667.7 million is added to this programme, of which R598.7 is added to Central Hospitals sub-programme towards the implementation of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021. A further amount of R68.9 million is for the appointment of health professionals through Statutory Human Resource Training and Development conditional grant.

Additional Funding: Provincial R265.1 million

An amount of R265.1 million is allocated to the Central Hospitals sub-programme to respond to COVID-19 human resource needs.

Programme 6: Health Sciences and Training

TABLE 4.12 PROGRAMME 6: HEALTH SCIENCES AND TRAINING

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Nurse Training Colleges | 633 815 | | | (19 077) | 11 509 | | (7 568) | 626 247 |
| 2. EMS Training Colleges | 42 149 | | | | 286 | | 286 | 42 435 |
| 3. Bursaries | 452 190 | | | | | | | 452 190 |
| 4. Other Training | 79 836 | | | 8 000 | 76 692 | | 84 692 | 164 528 |
| Total for programme | 1 207 990 | | | (11 077) | 88 487 | | 77 410 | 1 285 400 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 678 316 | | | (7 648) | 88 487 | | 80 839 | 759 155 |
| Compensation of employees | 589 899 | | | | 13 928 | | 13 928 | 603 827 |
| Salaries & wages | 536 473 | | | (10 000) | 13 928 | | 3 928 | 540 401 |
| Social contribution | 53 426 | | | 10 000 | | | 10 000 | 63 426 |
| Goods and services | 88 417 | | | (7 648) | 74 559 | | 66 911 | 155 328 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 518 451 | | | | | | | 518 451 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | 24 636 | | | | | | | 24 636 |
| Higher education institutions | 16 309 | | | | | | | 16 309 |
| Households | 477 506 | | | | | | | 477 506 |
| Payments for capital assets | 11 223 | | | (3 429) | | | (3 429) | 7 794 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 11 223 | | | (3 429) | | | (3 429) | 7 794 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 1 207 990 | | | (11 077) | 88 487 | | 77 410 | 1 285 400 |

TABLE 4.13: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 6: HEALTH SCIENCES AND TRAINING

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|----------|--|--------|
| Current payments | | (29 999) | | 22 351 |
| Compensation of employees | Realignment of compensation of employees' budget to align with expenditure. | (18 000) | Realignment of compensation of employees' budget to align with expenditure. | 18 000 |
| Goods and services | Shifting of budget due to slow spending to defray excess expenditure within programme and shifting of budget necessitated by saving on items as a result of lockdown. | (11 999) | Provision is made towards outsourced services in the Training Other Sub-Programme. | 4 351 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Higher education institutions | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | (3 729) | | 300 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | Virement of funds from the Programme is made towards COVID-19 commitments and expenditure. | (3 729) | Realignment of budget within sub-programmes. | 300 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |

| Economic classification | Motivation | From | Motivation | To |
|-------------------------------|------------|----------|------------|--------|
| Total economic classification | | (33 728) | | 22 651 |

Virements and shifts

An amount of R11.1 million is shifted out of the programme from slow spending items within because of COVID-19 lockdown regulations to alleviate excess expenditure in Programme 7: Health Care Support Services. A further shifting of funds within the programme is informed by reprioritisation to align spending with budget within the compensation of employees' item within the sub-programmes.

Additional Funding: National R88.5 million

An amount of R13.9 million is allocated towards the implementation of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021. A further R74.6 million is allocated for the appointment of health professional staff and assistant nurses in response to the Presidential Youth Employment Initiative.

Programme 7: Health Care Support Services

TABLE 4.14 PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Laundries | 282 828 | | | 11 077 | 13 043 | | 24 120 | 306 948 |
| 2. Food Supply Services | 107 556 | | | | 369 | | 369 | 107 925 |
| 3. Medicine Trading Account | 1 | | | | | | | 1 |
| Total for programme | 390 385 | | | 11 077 | 13 412 | | 24 489 | 414 874 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 387 341 | | | 10 677 | 13 412 | | 24 089 | 411 430 |
| Compensation of employees | 201 182 | | | | 13 412 | | 13 412 | 214 594 |
| Salaries & wages | 162 000 | | | | 13 412 | | 13 412 | 175 412 |
| Social contribution | 39 182 | | | | | | | 39 182 |
| Goods and services | 186 159 | | | 10 677 | | | 10 677 | 196 836 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 479 | | | | | | | 479 |
| Non-profit institutions | | | | | | | | |
| Households | 479 | | | | | | | 479 |
| Payments for capital assets | 2 565 | | | 400 | | | 400 | 2 965 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 2 565 | | | 400 | | | 400 | 2 965 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 390 385 | | | 11 077 | 13 412 | | 24 489 | 414 874 |

TABLE 4.15: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|--|---------|--|--------|
| Current payments | | (8 014) | | 18 691 |
| Compensation of employees | | | | |
| Goods and services | Shifting of budget due to slow spending and shifting of budget necessitated by saving on items as a result of lockdown restrictions. | (8 014) | Reprioritisation of funds towards emerging and pressing COVID-19 activities and to pay the external laundry service providers due to water access interruption at some of the laundries. | 18 691 |

| | | | | |
|--------------------------------------|--|---------|--|--------|
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | 400 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Realignment of budget to align with expenditure. | 400 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (8 014) | | 19 091 |

Virements and shifts

The programme is allocated an additional R11.1 million through a virement from Nursing colleges to Laundries to defray excess expenditure incurred on other supplies and consumable supplies. An amount of R8 million is shifted within programme to defray excess expenditure within medical supplies, consumable supplies and property payments due to emerging and pressing COVID-19 activities.

Additional Funding: National R13.4 million

An amount of R13.4 million is allocated towards the implementation of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021.

Programme 8: Health Facilities Management

TABLE 4.16: PROGRAMME: HEALTH FACILITIES MANAGEMENT

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Community Health Facilities | 492 164 | | 40 000 | (138 980) | | | (98 980) | 393 184 |
| 2. Emergency Medical Rescue Services | 28 750 | | | (20 810) | | | (20 810) | 7 940 |
| 3. District Hospital Services | 422 219 | | 36 700 | (137 328) | | | (100 628) | 321 591 |
| 4. Provincial Hospital Services | 243 073 | | 51 136 | (36 221) | | | 14 915 | 257 988 |
| 5. Central Hospital Services | 527 307 | | 25 789 | 279 503 | | 21 340 | 326 632 | 853 939 |
| 6. Other Facilities | 562 159 | | 10 960 | 53 836 | 1 333 | | 66 129 | 628 288 |
| Total for programme | 2 275 672 | | 164 585 | | 1 333 | 21 340 | 187 258 | 2 462 930 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 933 392 | | 95 596 | 35 091 | 1 333 | | 132 020 | 1 065 412 |
| Compensation of employees | 59 013 | | | | 1 333 | | 1 333 | 60 346 |
| Salaries & wages | 54 349 | | | (650) | 1 333 | | 683 | 55 032 |
| Social contribution | 4 664 | | | 650 | | | 650 | 5 314 |
| Goods and services | 874 379 | | 95 596 | 35 091 | | | 130 687 | 1 005 066 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | | | | 36 | | | 36 | 36 |
| Provinces and municipalities | | | | | | | | |
| Higher education institutions | | | | | | | | |
| Non-profit institutions | | | | | | | | |
| Households | | | | 36 | | | 36 | 36 |
| Payments for capital assets | 1 342 280 | | 68 989 | (35 127) | | 21 340 | 55 202 | 1 397 482 |
| Buildings and other fixed structures | 1 341 480 | | 68 989 | (253 376) | | 21 340 | (163 047) | 1 178 433 |
| Machinery and equipment | 800 | | | 218 249 | | | 218 249 | 219 049 |

| | | | | | | | |
|--------------------------------------|------------------|----------------|--------------|---------------|----------------|------------------|--|
| Software and other intangible assets | | | | | | | |
| Payments for financial assets | | | | | | | |
| Thefts & Losses | | | | | | | |
| Total economic classification | 2 275 672 | 164 585 | 1 333 | 21 340 | 187 258 | 2 462 930 | |

TABLE 4.17: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|------------------|---|----------------|
| Current payments | | (103 035) | | 138 126 |
| Compensation of employees | Realignment of compensation of employees' budget to align with expenditure. | (702) | Realignment of compensation of employees' budget to align with expenditure. | 702 |
| Goods and services | Realignment of infrastructure budget within the programme on the basis of a critical review of progress made and an assessment of what can be delivered during the remainder of the financial year. | (102 333) | Reprioritisation of budget to cover shortfall in multiple projects that are progressing well and for Charlotte Maxeke Fire projects. | 137 424 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 36 |
| Non-profit institutions | | | | |
| Households | | | Funds required to cover payment of leave gratuity. | 36 |
| Payments for capital assets | | (516 290) | | 481 163 |
| Buildings and other fixed structures | Realignment of infrastructure budget within the programme on the basis of a critical review of progress made and an assessment of what can be delivered during the remainder of the financial year. | (516 262) | Reprioritisation of budget to cover shortfall in multiple projects that are progressing well and to cater for the Charlotte Maxeke Fire projects. | 262 886 |
| Machinery and equipment | Realignment of infrastructure budget within the programme. | (28) | Reprioritisation of budget to cover payments for medical equipment ordered and not paid in previous financial year for COVID-19 projects. | 218 277 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (619 325) | | 619 325 |

Roll-overs: R164.5 million

An amount of R164.5 million is a rolled-over to cover commitments for maintenance and capex invoices which were not paid by the end of 2020/21 financial year.

Virements and shifts

Funds are shifted to realign infrastructure budget within the programme based on a critical review of progress made and an assessment of what can be delivered during the remainder of the financial year and to cover funding shortfall in multiple projects including the Charlotte Maxeke fire project.

Additional Funding: National R1.3 million

An amount of R1.3 million is allocated towards the implementation of 2021/22 public sector wage agreement to cover the 1.5 percent to employees who do not qualify for a pensionable increase derived from pay progression with effect from 1 July 2021 and for the payment of non-pensionable monthly cash allowance with effect from 1 April 2021.

Additional Funding: Provincial R21.3 million

Additional funding is allocated to cover the shortfall for the fire incident at the Charlotte Maxeke Johannesburg Academic Hospital.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 4.18: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--------------------------------------|--------------------------------|----------------------|---------------------|--|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2019 - Mar 2020 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 2 405 845 | 2 081 350 | 3 695 016 | 154% | 1 292 275 | 983 277 | (53)% |
| 2. District Health Services | 18 896 930 | 8 237 285 | 17 959 247 | 95% | 20 476 521 | 9 770 383 | 19% |
| 3. Emergency Medical Services | 1 586 670 | 765 271 | 1 680 801 | 106% | 1 619 305 | 545 838 | (29)% |
| 4. Provincial Hospital Services | 9 945 440 | 4 959 878 | 9 905 850 | 100% | 11 081 898 | 5 514 677 | 11% |
| 5. Central Hospital Services | 19 676 222 | 9 226 185 | 19 254 052 | 98% | 20 992 307 | 10 405 768 | 13% |
| 6. Health Sciences And Training | 979 639 | 412 611 | 787 210 | 80% | 1 285 400 | 330 508 | (20)% |
| 7. Health Care Support Services | 385 264 | 193 419 | 388 844 | 101% | 414 874 | 188 634 | (2)% |
| 8. Health Facilities Management | 4 959 493 | 1 834 808 | 4 041 357 | 81% | 2 462 930 | 1 122 516 | (39)% |
| Total for programmes | 58 835 503 | 27 710 807 | 57 712 377 | 98% | 59 625 510 | 28 861 601 | 4% |
| Current payments | 52 072 208 | 25 088 524 | 51 575 685 | 99% | 54 615 144 | 27 213 737 | 13% |
| Compensation of employees | 31 776 201 | 15 149 878 | 31 474 850 | 99% | 35 829 428 | 17 440 782 | 15% |
| Goods and Services | 20 296 007 | 9 938 646 | 20 099 251 | 99% | 18 785 716 | 9 772 025 | (2)% |
| Interest and rent on land | | | 1 584 | | | 930 | |
| Transfers and subsidies | 1 635 229 | 865 233 | 1 787 316 | 109% | 1 800 575 | 653 678 | (174)% |
| Provinces and municipalities | 520 489 | 252 295 | 520 489 | 100% | 470 568 | 89 418 | (65)% |
| Departmental agencies and accounts | 23 352 | 23 352 | 23 352 | 100% | 24 636 | (7) | (100)% |
| Higher education institutions | 15 459 | 11 766 | 12 871 | 83% | 16 309 | 7 063 | |
| Non-profit institutions | 723 627 | 319 780 | 602 710 | 83% | 705 868 | 336 702 | 5% |
| Households | 352 302 | 258 040 | 627 894 | 178% | 583 194 | 220 502 | (15)% |
| Payments for capital assets | 5 128 066 | 1 757 030 | 4 349 350 | 85% | 3 209 791 | 994 186 | (43)% |
| Buildings and other fixed structures | 3 119 183 | 1 122 735 | 2 351 646 | 75% | 1 178 433 | 551 131 | (51)% |
| Machinery and equipment | 2 008 883 | 634 295 | 1 997 704 | 99% | 2 031 358 | 443 055 | (30)% |
| Land and sub-soil assets | | | | | | | |
| Software and other intangible assets | | | | | | | |
| Payments for financial assets | | 20 | 26 | | | | |
| Total economic classification | 58 835 503 | 27 710 807 | 57 712 377 | 98% | 59 625 510 | 28 861 601 | 4% |

Expenditure trends for 2020/21

The department's total expenditure for the 2020/21 financial year amounted to R57.7 billion which translates to 98 per cent of the total budget of R58.8 billion. Total expenditure for the first half of the 2021/22 financial year is 4 per cent more than the same period of the previous 2020/21 financial year.

Increased expenditure on compensation of employees was due to increased personnel headcount because of appointment of health professionals in line with the COVID-19 Response.

The overall overspending on goods and services was because of increased costs incurred towards payment of personal protective clothing, medical supplies, legal services and consultants and business advisory items in relation to mental health care service providers.

The overspending on transfers to households is due to increased payment of leave gratuity to qualifying employees who exited the system because of natural attrition as well as the payment of medico-legal claims.

An underspending in payments for capital assets was due to the revised procurement plans, non-delivery of procured equipment before the end of the financial year and delays in procurement processes due to the COVID-19 pandemic.

Expenditure trends for the first half of 2021/2022

The department spent R28.8 billion in the first half of 2021/2022 compared to R27.7 billion in the first half of 2020/2021. This is mainly due to the payment of previous financial year's accruals, increased medico-legal claims as well as the procurement of the PPE in response to the COVID-19 pandemic.

Programme 1: Administration

The programme has incurred expenditure amounting to R983.2 against the budget of R1.1 billion in the first half of 2021/22. The overspending relates to procurement of personal protective equipment (PPE) and the payment of medico-legal claims that has been centralised in the programme.

Programme 2: District Health Services

Spending under this programme is R9.7 billion at the end of the first half which is slightly higher than the R8.2 billion spent in the first half of the 2020/2021 financial year due to the payment of accruals.

Programme 3: Emergency Medical Services

The total expenditure for the first six months of the current financial year amounts to R545.8 million which is lower than the R765.2 million spent in the same period of 2020/21 financial year because of lockdown regulations and delays in the tender processes for the Computer Dispatching solution.

Programme 4: Provincial Hospital Services

During the period under review, the spending in this programme increased from R4.9 billion in 2020/2021 financial year to R5.5 billion in the first six-month of 2021/2022 financial year. The increased spending is due to payment of the non-pensionable cash allowance, accruals, and an increase in COVID-19 service demands.

Programme 5: Central Hospital Services

The overall change in expenditure for the first six months of the financial year increased by 13 per cent from R9.2 billion in 2020/21 to R10.4 billion. The increased spending is due to payment of non-pensionable cash allowance, accruals, and an increase in COVID-19 service demands.

Programme 6: Health Sciences and Training

The mid-term expenditure for this programme amounted to R330 million which is less when compared to the same period of the previous financial year which amounted to R412.6 million. The decrease in expenditure is due to the late payment in relation to the South African Cuban Doctor programme, the late payment for tuition fees and the late payment of stipends to student nurses.

Programme 7: Health Care Support

The 2021/22 second half expenditure in this programme is at R188.6 million which is slightly less than the R193.4 million spent in the 2020/21 financial year. This low expenditure is attributed to the effects of COVID-19 lockdown regulations.

Programme 8: Health Facilities Management

Expenditure in this programme is less by R712 million when compared to the second half of the previous financial year due projects that are progressing slower than anticipated.

6. Departmental Receipts

TABLE 4.19: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|---------------------|---|------------------------|----------------------|---------------------------------|
| | Audited Outcome | | | | Preliminary Receipts | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2019 -Mar 2020 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 463 729 | 182 010 | 464 512 | 0.2% | 482 278 | 210 251 | 15.52% |
| Of which Health patient fees | 371 613 | 137 790 | 359 348 | 0.0% | 386 478 | 163 884 | 18.94% |
| Transfers received | | | 178 | 0.0% | | 4 | 0.00% |
| Fines, penalties and forfeits | 69 | 1 | 20 | (71.0)% | 72 | 13 | 1200.00% |
| Interest, dividends and rent on land | 1 582 | 174 | 398 | (74.8)% | 1 645 | 62 | (64.37)% |
| Sales of capital assets | | | 11 147 | 0.0% | | 4 601 | #DIV/0! |
| Financial transactions in assets and liabilities | 34 620 | 26 728 | 37 532 | 8.4% | 36 005 | 33 605 | 25.73% |
| Total receipts | 500 000 | 208 913 | 513 787 | (137.3)% | 520 000 | 248 536 | 18.97% |

Revenue trends for the first half of the 2021/22 financial year.

The estimated actual revenue to be collected by the end of the 2021/22 financial year amount to R520 million, this remains the same as the main appropriation for own revenue. Thus, there are no adjustments of the revenue budget.

Actual revenue collected as end of September 2021 amount to R248.5 million which is an increase of R39.6 million when compared to the same period of 2020/21 during which collection amounted R208.9 million. The easing of lockdown restrictions assisted in the increase in revenue collected because external funders like Road Accident Fund opened more offices and started processing more claims.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 4.20: CHANGES TO TRANSFERS AND SUBSIDIES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 3 427 | | | | | | | 3 427 |
| HOUSEHOLDS (HH) | 3 427 | | | | | | | 3 427 |
| Programme 2 | 927 550 | | | | | | | 927 550 |
| PROVINCIAL AND LOCAL GOVERNMENTS | 470 568 | | | | | | | 470 568 |
| NON PROFIT INSTITUTIONS (NPI) | 423 868 | | | | | | | 423 868 |
| Programme 3 | 3 307 | | | | | | | 3 307 |
| HOUSEHOLDS (HH) | 3 307 | | | | | | | 3 307 |
| Programme 4 | 18 080 | | | | | | | 18 080 |
| HOUSEHOLDS (HH) | 18 080 | | | | | | | 18 080 |
| Programme 5 | 329 245 | | | | | | | 329 245 |
| Programme 6 | 518 451 | | | | | | | 518 451 |
| HIGHER EDUCATION INSTITUTIONS | 16 309 | | | | | | | 16 309 |
| DEPARTMENTAL AGENCIES & ACCOUNTS | 24 636 | | | | | | | 24 636 |
| Programme 7 | 479 | | | | | | | 479 |
| Programme 8 | | | | 36 | | | 36 | 36 |
| Total changes in transfers and subsidies payments | 1 800 539 | | | 36 | | | 36 | 1 800 575 |

Virements and shifts

A total amount of R36 000 is reprioritised within Programme 8: Health Facilities Management to cover the payment of leave gratuity to employees who exit the department.

Changes to conditional grants

TABLE 4.21: CHANGES TO CONDITIONAL GRANTS

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 2 | 6 045 458 | | 4 752 | | 22 354 | | 27 106 | 6 072 564 |
| HIV&AIDS COMPONENT | 4 977 332 | | | | | | | 4 977 332 |
| TUBERCULOSIS COMPONENT | 88 771 | | | | | | | 88 771 |
| COMMUNITY OUTREACH SERVICE COMP | 481 374 | | 4 493 | | | | 4 493 | 485 867 |
| HUMAN PAPLVIRUS VACC COMPONENT | 30 077 | | | | | | | 30 077 |
| COVID-19 COMPONENT | 353 002 | | | | | | | 353 002 |
| MENTAL HEALTH SERVICES COMPONENT | 25 246 | | | | 7 060 | | 7 060 | 32 306 |
| NATIONAL HEALTH INSURANCE GRANT | 49 859 | | | | | | | 49 859 |
| SOC SEC EPWP INCEN GRNT FOR PROV | 24 746 | | 259 | | | | 259 | 25 005 |
| STATUTORY HUMAN RESOURCES COMP | 15 051 | | | | 15 294 | | 15 294 | 30 345 |
| TRAINING&DEVELOPMENT COMPONENT | | | | | | | | |
| NATIONAL TERTIARY SERVICES GRANT | | | | | | | | |
| Programme 4 | 402 688 | | 13 776 | | 29 005 | | 42 781 | 445 469 |
| HEALTH FACILITY REVIT GRANT | | | | | | | | |
| NATIONAL TERTIARY SERVICES GRANT | 32 569 | | 6 567 | | | | 6 567 | 39 136 |
| TUBERCULOSIS COMPONENT | | | | | | | | |
| STATUTORY HUMAN RESOURCES COMP | 111 284 | | | | 29 005 | | 29 005 | 140 289 |
| TRAINING&DEVELOPMENT COMPONENT | 258 835 | | 7 209 | | | | 7 209 | 266 044 |
| HEALTH PROF TRAINING&DEV GRANT | | | | | | | | |
| Programme 5 | 5 803 093 | | 387 580 | | 68 998 | | 456 578 | 6 259 671 |
| HEALTH FACILITY REVIT GRANT | | | | | | | | |
| NATIONAL TERTIARY SERVICES GRANT | 4 845 501 | | 349 786 | | | | 349 786 | 5 195 287 |
| STATUTORY HUMAN RESOURCES COMP | 233 876 | | | | 68 998 | | 68 998 | 302 874 |
| TRAINING&DEVELOPMENT COMPONENT | 723 716 | | 37 794 | | | | 37 794 | 761 510 |
| Grant 5 | | | | | | | | |
| Grant 6 | | | | | | | | |
| Programme 8 | 968 089 | | | | | | | 968 089 |
| HEALTH FACILITY REVIT GRANT | 965 871 | | | | | | | 965 871 |
| EPWP INTEGRATED GRANT FOR PROV | 2 218 | | | | | | | 2 218 |
| Total changes in conditional grants | 6 905 204 | | 406 108 | | 120 357 | | 526 465 | 13 745 793 |

Roll-overs: R406.1 million

An amount of R4.4 million is rolled over to fund commitments on the uniform allowance within Community Outreach Services component of the HIV, TB, Malaria and Community Outreach conditional grant. Further R356.3 million is rolled over from National Tertiary Services Grant and R45 million from Training and Development component of the Statutory Human Resource Training and Development grant for the payment of commitments on the procurement of machinery and equipment in the previous financial year. An amount of R259 000 is approved under Social Sector EPWP Incentive grant for the payment of commitments related to training provided in the 2020/2021 financial year.

Additional Funding: National: R120.3 million

Of the total R120.3 million, R7 million is allocated for the appointment of additional mental health care professionals in the department and a further R113.2 million is to make provision for the employment of additional medical interns in various hospitals through the Statutory Human Resources component.

Changes to infrastructure

Refer to 2021 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 5

DEPARTMENT OF EDUCATION

| R thousand | 2021/22 | | | |
|------------------------------|--------------------|------------------------|----------|-----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 53 458 053 | 56 678 273 | | 3 220 220 |
| of which: | | | | |
| Current payments | 46 148 701 | 47 789 574 | | 1 640 873 |
| Transfers and subsidies | 6 141 818 | 7 602 882 | | 1 461 064 |
| Payments for capital assets | 1 167 534 | 1 285 817 | | 118 283 |
| Payment for financial assets | | | | |
| Executive authority | MEC for Education | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission

Vision

Every learner feels valued and inspired in our innovative education system.

Mission

We are committed to provide functional and modern schools that enable quality teaching and learning to protect and promote the right of every learner to quality, equitable and relevant education.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

Table 5.1 DEPARTMENT OF EDUCATION

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 4 549 079 | | 2 512 | (90 054) | | | (87 542) | 4 461 537 |
| 2. Public Ordinary School Education | 38 801 949 | | 144 014 | (124 446) | 1 308 922 | 378 000 | 1 706 490 | 40 508 439 |
| 3. Independent School Subsidies | 980 518 | | | | | | | 980 518 |
| 4. Public Special School Education | 4 521 641 | | 1 362 | (38 020) | | | (36 658) | 4 484 983 |
| 5. Early Childhood Development | 1 264 787 | | 35 068 | 164 498 | | | 199 566 | 1 464 353 |
| 6. Infrastructure Development | 1 619 208 | | | | | | | 1 619 208 |
| 7. Examination and Education Related Services | 1 720 871 | | 289 549 | 88 022 | 1 060 793 | | 1 438 364 | 3 159 235 |
| Total for Programmes | 53 458 053 | | 472 505 | | 2 369 715 | 378 000 | 3 220 220 | 56 678 273 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 46 148 701 | | 182 956 | (329 156) | 1 409 073 | 378 000 | 1 640 873 | 47 789 574 |
| Compensation of employees | 39 049 707 | | | (99 558) | 1 328 320 | | 1 228 762 | 40 278 469 |
| Salaries & wages | 33 773 890 | | | (100 108) | 1 138 762 | | 1 038 654 | 34 812 544 |
| Social contributions | 5 275 817 | | | 550 | 189 558 | | 190 108 | 5 465 925 |
| Goods and services | 7 098 994 | | 182 956 | (229 601) | 80 753 | 378 000 | 412 108 | 7 511 102 |
| Interest and rent on land | | | | 3 | | | 3 | 3 |
| Transfers and subsidies | 6 141 818 | | 289 549 | 211 273 | 960 242 | | 1 461 064 | 7 602 882 |
| Departmental agencies and accounts | 111 258 | | | (550) | | | (550) | 110 708 |
| Non-profit institutions | 5 425 031 | | 289 549 | 173 199 | 960 242 | | 1 422 990 | 6 848 021 |
| Households | 605 529 | | | 38 624 | | | 38 624 | 644 153 |
| Payments for capital assets | 1 167 534 | | | 117 883 | 400 | | 118 283 | 1 285 817 |
| Buildings and other fixed structures | 882 067 | | | 163 830 | | | 163 830 | 1 045 897 |
| Machinery and equipment | 225 381 | | | (17 990) | 400 | | (17 590) | 207 791 |
| Land and sub-soil assets | 36 000 | | | (20 000) | | | (20 000) | 16 000 |
| Software and other intangible assets | 24 086 | | | (7 957) | | | (7 957) | 16 129 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 53 458 053 | | 472 505 | | 2 369 715 | 378 000 | 3 220 220 | 56 678 273 |

The appropriation of the department increases by an amount of R3.2 billion from R53.5 billion to an adjusted appropriation of R56.7 billion for the 2021/22 financial year. The upward adjustment of R3.2 billion is informed by the appropriation of roll-overs of unspent funds from the prior financial year and provincial and national additional funding.

The department receives R2.4 billion from national of which R1.3 billion is for the current budgetary shortfall on compensation of employees because of the implementation of the 2021/22 public sector wage agreement and R1 billion is for the implementation of the Presidential Youth Employment Initiative (PYEI). Furthermore, the department receives R378 million from the province for the procurement of Personal Protective Equipment (PPE).

The adjustments also include the appropriation of roll-overs of unspent funds which amount to a total of R472.5 million. This includes conditional grant roll-overs which amount to 11.3 million of which R10 million forms part of the National School Nutrition Programme Grant and R1.3 million allocated towards the Learners with Profound Intellectual Disabilities Grant. The equitable share roll-overs to settle commitments from the previous financial year amount to R461.1 million of which R60.7 million is for school furniture, R289.5 is for the PYEI, R2.5 million is for bursaries awarded to school and office-based staff as part of the Human Resource Development Plan, R35 million is for Learner Teacher Support Material and R73.3 million is for the National School Nutrition Programme.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 5.2: PROGRAMME ADMINISTRATION

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office of the Mec | 5 527 | | | | | | | 5 527 |
| 2. Corporate Services | 2 515 947 | | | (59 341) | | | (59 341) | 2 456 606 |
| 3. Education Management | 1 917 153 | | | (12 695) | | | (12 695) | 1 904 458 |
| 4. Human Resource Development | 84 686 | | 2 512 | (947) | | | 1 565 | 86 251 |
| 5. Edu Management Information System (Emis) | 25 766 | | | (17 071) | | | (17 071) | 8 695 |
| Total for Programmes | 4 549 079 | | 2 512 | (90 054) | | | (87 542) | 4 461 537 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 4 463 885 | | 2 512 | (100 099) | | | (97 587) | 4 366 298 |
| Compensation of employees | 3 746 254 | | | | | | | 3 746 254 |
| Salaries & wages | 3 218 572 | | | | | | | 3 218 572 |
| Social contributions | 527 682 | | | | | | | 527 682 |
| Goods and services | 717 631 | | 2 512 | (100 102) | | | (97 590) | 620 041 |
| Transfers and subsidies | 11 610 | | | 36 799 | | | 36 799 | 48 409 |
| Provinces and municipalities | | | | | | | | |
| Higher education institutions | | | | | | | | |
| Households | 11 530 | | | 36 799 | | | 36 799 | 48 329 |
| Payments for capital assets | 73 584 | | | (26 754) | | | (26 754) | 46 830 |
| Machinery and equipment | 49 498 | | | (18 754) | | | (18 754) | 30 744 |
| Software and other intangible assets | 24 086 | | | (8 000) | | | (8 000) | 16 086 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 4 549 079 | | 2 512 | (90 054) | | | (87 542) | 4 461 537 |

TABLE 5.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|------------------------------|---|-----------|---|--------|
| Current payments | | (111 715) | | 11 616 |
| Compensation of employees | | | 0 | |
| Goods and services | Procurement delays on the finalisation of body shop for data quality audit (DQA), maintenance and repair of computer equipment is less as new laptops have been procured. There is a delay in invoicing by e-Gov as they are waiting to be invoiced by SITA on the installation of local area network (LAN) and Voice over Internet Protocol (VOIP) and delays in development of new software caused by capacity constraints. Some training programmes and events have been suspended to comply with COVID-19 regulations and this resulted in a decrease in expenses such as catering, venues and facilities and transport costs. Furthermore, the remote working by employees resulted in a decrease in operational costs related to landlines, travelling, stationary usage and printing. | (111 715) | There is an increase in the demand for Employee Awareness Programme due to COVID-19, hence funds are allocated to this programme, the budget for municipal services is supplemented due to an increase in electricity tariffs. Provision is also made to settle an accrual on the online skills training programme, for branding signages and printing of COVID-19 information sheets and for the leasing of GG vehicles for district offices. . | 11 613 |
| Interest and rent on land | | | Provision for interest paid on overdue accounts. | 3 |
| Transfers and subsidies | | | | 36 799 |
| Provinces and municipalities | | | | |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|------------------|---|---------------|
| Non-profit institutions | | | | |
| Households | | | Funds allocated to augment expenditure on claims against state. | 36 799 |
| Payments for capital assets | | (28 902) | | 2 148 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | Minimum use of printing machines due to remote working. | (18 902) | Funds allocated for procurement of biometric devices to control security access in the districts and to procure office furniture. | 148 |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | Savings realised as annual Microsoft licences have been paid in full for the financial year. | (10 000) | Allocation made for procurement of Tangerine software for the monitoring of Reading in Primary schools. | 2 000 |
| Payments for financial assets | | | | |
| Total economic classification | | (140 617) | | 50 563 |

Roll-overs: R2.5 million

A total amount of R2.5 million is rolled over from the previous financial year to settle outstanding invoices for bursaries awarded to school and office-based staff including the senior management team as part of Human Resource Development plan.

Virements and shifts

The programme released a total of R90 million to address the budget pressure in Programme 7: Examination and Education Related Services emanating from the ongoing strengthening of school safety interventions to turn around high-risk schools and make these conducive learning and working environments for learners, educators, and administrators. In addition, funds are released by this programme to cover the payment of stipends to the COVID-19 screeners in schools, an intervention that forms part of the Presidential Youth Employment Initiative.

Shifts within the programme amount to R50.6 million mainly to settle claims against the state, address the budget shortfall on the Employee Awareness Programme (EAP) for which the demand has increased due to the COVID-19 pandemic. Furthermore, budget is allocated to fund the procurement of Tangerine software to be used for monitoring of reading in primary schools. Budget is primarily reprioritised from items where expenditure was suspended due to the cancellation and/or postponement of departmental events to comply with COVID-19 regulations such as training and development, catering and venues and facilities.

Programme 2: Public Ordinary School Education

TABLE 5.4: PROGRAMME 2: PUBLIC ORDINARY SCHOOL

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Public Primary Schools | 20 964 686 | | 67 365 | (91 847) | 785 353 | 226 800 | 987 671 | 21 952 357 |
| 2. Public Secondary School | 16 571 022 | | 66 649 | (21 202) | 523 569 | 151 200 | 720 216 | 17 291 238 |
| 3. Human Resource Development | 173 618 | | | (3 722) | | | (3 722) | 169 896 |
| 4. School Sport, Culture And Media Services | 38 618 | | | (7 675) | | | (7 675) | 30 943 |
| 6. Conditional Grants | 1 054 005 | | 10 000 | | | | 10 000 | 1 064 005 |
| Total for Programmes | 38 801 949 | | 144 014 | (124 446) | 1 308 922 | 378 000 | 1 706 490 | 40 508 439 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 35 465 947 | | 144 014 | (76 809) | 1 308 922 | 378 000 | 1 754 127 | 37 220 074 |
| Compensation of employees | 30 571 387 | | | (130 280) | 1 308 922 | | 1 178 642 | 31 750 029 |
| Salaries & wages | 26 308 130 | | | (130 280) | 1 138 762 | | 1 008 482 | 27 316 612 |
| Social contributions | 4 263 257 | | | | 170 160 | | 170 160 | 4 433 417 |
| Goods and services | 4 894 560 | | 144 014 | 53 471 | | 378 000 | 575 485 | 5 470 045 |

| | | | | | | | |
|--------------------------------------|-------------------|----------------|------------------|------------------|----------------|------------------|-------------------|
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 3 333 461 | | (47 965) | | | (47 965) | 3 285 496 |
| Non-profit institutions | 3 195 661 | | (47 965) | | | (47 965) | 3 147 696 |
| Households | 137 800 | | | | | | 137 800 |
| Payments for capital assets | 2 541 | | 328 | | | 328 | 2 869 |
| Buildings and other fixed structures | | | | | | | |
| Machinery and equipment | 2 541 | | 328 | | | 328 | 2 869 |
| Software and other intangible assets | | | | | | | |
| Payments for financial assets | | | | | | | |
| Total economic classification | 38 801 949 | 144 014 | (124 446) | 1 308 922 | 378 000 | 1 706 490 | 40 508 439 |

TABLE 5.5: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: PUBLIC ORDINARY SCHOOL

| Economic classification | Motivation | From | Motivation | To |
|---|---|------------------|---|----------------|
| Current payments | | (524 749) | | 447 940 |
| Compensation of employees | Funding for conversion of ECD practitioners to PL1 educator posts was temporarily allocated to this programme to address COVID-19 related appointments while the conversion processes were being finalised. Budget shifted to the correct programme. | (130 392) | Funds to cover the cost of the salary adjustment as per the signed agreement between DPSA and labour formations for Maths and sciences grant | 112 |
| Goods and services | Budget for ICT learner support resources incorrectly allocated, hence a shift to the correct items. There is a delay in the tender process for installing water saving devices at schools to assist with water usage management and funds shifted within the scholar transport budget to provide for transfers to schools to fund the payment of stipends to bus conductors The suspension of events, activities and training programmes resulted in reduced expenditure on items such as training, venues and facilities, catering, outsourced services of adjudicators and facilitators and transport costs. Furthermore, the remote working by employees resulted in a decrease in operational costs related to landlines, travelling, stationary usage and printing. | (394 357) | Budget for ICT learner support resources allocated correctly under LTSM and administrative fees for handling costs and an allocation is made for the maintenance and repairs of learners', teachers', and classroom devices and to procure ICT accessories such as HDMI cables, chargers etc. Provision for school nutrition to feed additional learners at quintile 4 and 5 schools, for municipal services due to increase in electricity tariffs and for data allocated to teachers for the Virtual District Based Teacher Training Programmes. | 447 828 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (81 392) | | 33 427 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | The extension of June school holidays resulted in savings on transfer to schools for food handlers, funds shifted within the school nutrition programme to cater for the increased number of learners in quintile 4 and 5 schools. | (81 392) | Funds allocated to Sci Bono Discovery Centre for robotic and coding programmes for primary schools and for the SSIP programme. | 33 427 |
| Households | | | | |
| Payments for capital assets | | | | 328 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Allocation for procurement of office equipment for new staff. | 328 |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|------------|-----------|------------|---------|
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (606 141) | | 481 695 |

Roll-overs: R144 million

A total amount of R144 million is rolled over from the previous financial year. Of this total amount, R83.3 million is rolled over for the National School Nutrition Programme of which R73.3 million is for equitable share and R10 million is for National School Nutrition Programme conditional grant all of which will be used to settle outstanding invoices and commitments from the prior financial year. The remaining portion of R60.7 million rolled over is for commitments relating to procurement of school furniture.

Additional funding: National R1.3 billion

Additional funding allocated to this programme amounts to R1.3 billion for the implementation of the non-pensionable cash allowances for all employees on salary levels 1-12 and the 1.5 per cent pay progression for those who would ordinarily not be eligible for this progression, in line with the 2021/22 public sector wage agreement.

Additional funding: Provincial R378 million

An amount of R378 million is allocated for the procurement of Personal Protective Equipment (PPE) in response to the health and safety protocols on the management of the COVID-19 pandemic.

Virements and shifts

An amount of R124.4 million is shifted from this programme to reallocate the budget for conversion of ECD practitioners to PL 1 educator posts to Programme 5: Early Childhood Development. These funds were temporarily allocated to this programme to address the COVID-19 related appointments while the conversion processes were being finalised.

The total shift of budget within the programme amounts to R481.6 million. Funds are mainly shifted within the school nutrition budget from transfers to goods and services to feed the additional number of learners in Quintile 4 and 5 schools and to supplement the budget for municipal services because of the increase in electricity tariffs. In addition, the budget is also shifted from various goods and services items due to the suspension of activities relating to training programmes, school sports, cultural programmes, and media services.

Funds are allocated to increase the quantity of digital learner support resources for remote learning due to COVID-19 regulations, to supplement the budget for the maintenance and repair of learners', teachers', and classroom digital devices and to update e- books and upgrade the e-Content platform. Provision is also made for data allocated to teachers for the Virtual District-Based Teachers Training Programmes and for additional transfers payments to schools which will be used for the payment of stipends to bus conductors.

Programme 3: Independent School Subsidies

TABLE 5.6: PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|----------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Primary Phase | 587 078 | | | | | | | 587 078 |
| 2. Secondary Phase | 393 440 | | | | | | | 393 440 |
| Total for Programmes | 980 518 | | | | | | | 980 518 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 10 000 | | | | | | | 10 000 |
| Compensation of employees | | | | | | | | |
| Goods and services | 10 000 | | | | | | | 10 000 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 970 518 | | | | | | | 970 518 |
| Provinces and municipalities | | | | | | | | |
| Non-profit institutions | 970 518 | | | | | | | 970 518 |

| | | | | | | | |
|--------------------------------------|----------------|--|--|--|--|--|----------------|
| Payments for capital assets | | | | | | | |
| Buildings and other fixed structures | | | | | | | |
| Machinery and equipment | | | | | | | |
| Payments for financial assets | | | | | | | |
| Total economic classification | 980 518 | | | | | | 980 518 |

TABLE 5.7 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

| Economic classification | Motivation | From | Motivation | To |
|---|------------|------|------------|----|
| Current payments | | | | |
| Compensation of employees | | | | |
| Goods and services | | | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | | | |

No Adjustments.

Programme 4: Public Special Education

TABLE 5.8: PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Schools | 4 483 355 | | | (35 608) | | | (35 608) | 4 447 747 |
| 2. Human Resource Development | 2 546 | | | | | | | 2 546 |
| 3. School Sport, Culture And Media Services | 2 584 | | | (2 412) | | | (2 412) | 172 |
| 4. Conditional Grants | 33 156 | | 1 362 | | | | 1 362 | 34 518 |
| Total for Programmes | 4 521 641 | | 1 362 | (38 020) | | | (36 658) | 4 484 983 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 3 594 732 | | 1 362 | (30 611) | | | (29 249) | 3 565 483 |
| Compensation of employees | 3 560 883 | | | (38 733) | | | (38 733) | 3 522 150 |
| Salaries & wages | 3 082 771 | | | (38 733) | | | (38 733) | 3 044 038 |
| Social contributions | 478 112 | | | | | | | 478 112 |
| Goods and services | 33 849 | | 1 362 | 8 122 | | | 9 484 | 43 333 |
| Transfers and subsidies | 926 909 | | | (7 490) | | | (7 490) | 919 419 |
| Non-profit institutions | 922 742 | | | (9 315) | | | (9 315) | 913 427 |
| Households | 4 167 | | | 1 825 | | | 1 825 | 5 992 |

| | | | | | | |
|--------------------------------------|------------------|--------------|-----------------|--|-----------------|------------------|
| Payments for capital assets | | | 81 | | 81 | 81 |
| Buildings and other fixed structures | | | | | | |
| Machinery and equipment | | | 38 | | 38 | 38 |
| Payments for financial assets | | | | | | |
| Total economic classification | 4 521 641 | 1 362 | (38 020) | | (36 658) | 4 484 983 |

Roll-overs: R1.4 million

A total amount of R1.4 million is rolled over from the previous financial year to settle invoices relating to the procurement of LTSM.

TABLE 5.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME: PUBLIC SPECIAL EDUCATION

| Economic classification | Motivation | From | Motivation | To |
|---|---|-----------------|--|---------------|
| Current payments | | (41 613) | | 11 002 |
| Compensation of employees | Budget shifted to households to make provision for employees related costs such as leave gratuity within the Schools sub-programme. Budget allocated for filling of vacant posts within the Learners with Profound Intellectual Disabilities grant will not be spent, a deviation from the business plan is approved by DBE to shift funds to LTSM. Funding for conversion of ECD practitioners to PL1 educator posts was temporarily allocated to this programme to address COVID-19 related appointments while the conversion processes were being finalised. | (38 733) | | |
| Goods and services | School sports and recreational events have been suspended to comply with COVID-19 regulations, this resulted in budget allocated to catering, venues and facilities, medical services for learners and transportation of learners to events not being spent. | (2 880) | Reallocation of the Learners with Profound Intellectual Disabilities grant to LTSM and PPE as approved by DBE. Municipal and security services will be paid at head office on behalf of schools which do not have full Section 21 functions, funds will not be transferred to schools. | 11 002 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (9 315) | | 1 825 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | Budget for municipal and security services will not be transferred to schools, funds shifted to goods and services as these will be paid centrally at head office on behalf of the schools. | (9 315) | | |
| Households | | | Provision for leave gratuity costs incurred when employees exit the department. | 1 825 |
| Payments for capital assets | | | | 81 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Provision for leasing of photocopy machines. | 38 |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | Provision for software licences for Special Care Centres. | 43 |
| Payments for financial assets | | | | |
| Total economic classification | | (50 928) | | 12 908 |

Virements and shifts

An amount of R38 million shifts from this programme of which R2.4 million is reprioritised from the School Sport programme due to the suspension of sporting activities and events to fund the shortfall on Covid 19 screeners at schools. The remaining amount of R35.6 million is reallocated to Programme 5: Early Childhood Development for the conversion of ECD practitioners into Post Level (PL) 1 educators. These ECD funds were temporarily allocated to this programme to address COVID-19 related appointments while the conversion processes were being finalised.

Shifting of funds within the programme amount to R12.9 million of which R9.3 million is shifted from transfers to schools to goods and services for the payment of security services and municipal services on behalf of schools that do not have full Section 21 functions. The remaining amount of R1.8 million is shifted from compensation of employees to LTSM within the Learners with Profound Intellectual Disabilities conditional grant as per the approval from the National Department of Basic Education to deviate from the business plan. Provision is also made for leave gratuity payable to employees who resign or retire.

Programme 5: Early Childhood Development

TABLE 5.10: PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Grade R In Public Schools | 1 181 314 | | 35 068 | 166 000 | | | 201 068 | 1 382 382 |
| 2. Grade R In Community Centers | 22 774 | | | | | | | 22 774 |
| 3. Pre-Grade R Training | 40 759 | | | (1 502) | | | (1 502) | 39 257 |
| 4. Human Resource Development | 19 940 | | | | | | | 19 940 |
| Total for Programmes | 1 264 787 | | 35 068 | 164 498 | | | 199 566 | 1 464 353 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 1 013 388 | | 35 068 | 186 437 | | | 221 505 | 1 234 893 |
| Compensation of employees | 707 647 | | | 166 000 | | | 166 000 | 873 647 |
| Salaries & wages | 707 023 | | | 166 000 | | | 166 000 | 873 023 |
| Social contributions | 624 | | | | | | | 624 |
| Goods and services | 305 741 | | 35 068 | 20 437 | | | 55 505 | 361 246 |
| Transfers and subsidies | 250 789 | | | (21 469) | | | (21 469) | 229 320 |
| Non-profit institutions | 250 789 | | | (21 469) | | | (21 469) | 229 320 |
| Households | | | | | | | | |
| Payments for capital assets | 610 | | | (470) | | | (470) | 140 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 610 | | | (470) | | | (470) | 140 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 1 264 787 | | 35 068 | 164 498 | | | 199 566 | 1 464 353 |

TABLE 5.11: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

| Economic classification | Motivation | From | Motivation | To |
|------------------------------------|---|----------|---|---------|
| Current payments | | (1 451) | | 187 888 |
| Compensation of employees | | | Funds allocated to address cost in relation to conversion of grade R practitioners' post to PL1 educators. | 166 000 |
| Goods and services | Savings realised as the planned events are conducted virtually due to COVID-19 regulations. | (1 451) | Provision for registration fees of officials that will be attending the EMASA (Education Management Association of South Africa) Conference, for the procurement of LTSM on behalf of schools and for the printing of ECD policies as the result of function shift. | 21 888 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (21 469) | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |

| Economic classification | Motivation | From | Motivation | To |
|---|--|----------|------------|---------|
| Foreign governments and international organisations Public corporations and private enterprises Non-profit institutions | Budget for the procurement of LTSM and handling fees will not be transferred to schools, department will procure centrally on behalf of the schools which do not have full Section 21 functions. Budget shifted to goods and services. | (21 469) | | |
| Households | | | | |
| Payments for capital assets | | (470) | | |
| Buildings and other fixed structures Machinery and equipment | The computer peripherals such as computer mouse and keyboards will not be procured as these were provided by head office. | (470) | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (23 390) | | 187 888 |

Roll-overs: R35 million

A total amount of R35 million is rolled over from the previous financial year to settle invoices relating to the procurement of LTSM for Grade R in Public Schools.

Virements and shifts

The programme receives an amount of R166 million for the conversion of Grade R practitioners' posts to PL1 educator posts. This amount was temporarily allocated to Programme 2 and 4 while the conversion processes were being finalised. An amount of R1.5 million is reprioritised from the programme due to reduced traveling and the virtual hosting of events to adhere to COVID-19 regulations.

Budget shifts within the programme amount to R21.8 million. Funds are shifted from transfers and subsidies to goods and services to procure learners' books (LTSM) on behalf of schools that do not have full Section 21 functions. Provision is also made to register officials who will attend the EMASA (Education Management Association of South Africa) conference and to print ECD policies as the result of function shift from the Gauteng Department of Social Development to the Gauteng Department of Education.

Programme 6: Infrastructure Development

TABLE 5.12: PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 65 499 | | | (1 980) | | | (1 980) | 63 519 |
| 2. Public Ordinary Schools | 1 450 687 | | | (24 326) | | | (24 326) | 1 426 361 |
| 3. Special Schools | 48 172 | | | 58 509 | | | 58 509 | 106 681 |
| 4. Early Childhood Development | 54 850 | | | (32 203) | | | (32 203) | 22 647 |
| Total for Programmes | 1 619 208 | | | | | | | 1 619 208 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 701 141 | | | (143 830) | | | (143 830) | 557 311 |
| Compensation of employees | 48 364 | | | (2 845) | | | (2 845) | 45 519 |
| Salaries & wages | 42 222 | | | (2 845) | | | (2 845) | 39 377 |
| Social contributions | 6 142 | | | | | | | 6 142 |
| Goods and services | 652 777 | | | (140 985) | | | (140 985) | 511 792 |
| Transfers and subsidies | | | | | | | | |
| Payments for capital assets | 918 067 | | | 143 830 | | | 143 830 | 1 061 897 |
| Buildings and other fixed structures | 882 067 | | | 163 830 | | | 163 830 | 1 045 897 |
| Land and sub-soil assets | 36 000 | | | (20 000) | | | (20 000) | 16 000 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 1 619 208 | | | | | | | 1 619 208 |

TABLE 5.13: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 6: INFRASTRACURE DEVELOPMENT

| Economic classification | Motivation | From | Motivation | To |
|---|--|-----------|--|---------|
| Current payments | | (168 220) | | 24 390 |
| Compensation of employees | There are vacant posts because of some technical people leaving the department, these are in the process of being filled. | (2 845) | | |
| Goods and services | The budget for ICT project of converting classes to Smart Classrooms is allocated under maintenance and repairs, this has been reclassified as upgrade and additions and funds shifted to buildings and other fixed structures. The budget for the payment of delivering water to schools is incorrectly allocated, funds shifted to the correct item. | (165 375) | Budget for sanitation services relating to chemical toilets and septic tanks and the allocation for delivery of water to schools is correctly allocated. The increase in the property payments is as result of reallocating funds for maintenance of office building from school maintenance. | 24 390 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | (52 203) | | 196 033 |
| Buildings and other fixed structures | The budget for ECD in schools is shifted to the Public Ordinary School sub-programme since the construction of new schools include the ECD classrooms and therefore expenditure is incurred under the POS sub-programme. | (32 203) | The increase is a result of reclassification of ICT project of creating Smart Classrooms from maintenance to buildings and other fixed structure as it is classified as upgrade and additions. | 196 033 |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | The department has undertaken a massive school infrastructure programme in the province to address the demand for new spaces, however the delay in reaching an agreement with the owner of the land resulted in a need to reduce the allocation. | (20 000) | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (220 423) | | 220 423 |

Virements and shifts

Shifts of funds within the programme is to reclassify the budget for the conversion of Smart Classrooms from maintenance under goods and services to upgrade and additions under buildings and other fixed structures. Funds are also shifted to correctly allocate the budget for sanitation services of chemical toilets and septic tanks and for the delivery of water to schools. Furthermore, the budget for provision of ECD classrooms is shifted to the Public Ordinary School sub-programme as the construction of new schools include the ECD classrooms therefore expenditure is incurred in the POS sub-programme.

Programme 7: Examination and Education Related Services

TABLE 5.14: PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Payments to Seta | 109 678 | | | | | | | 109 678 |
| 2. Professional Services | 410 993 | | | (44 910) | | | (44 910) | 366 083 |
| 3. Special Projects | 663 281 | | 289 549 | 134 167 | 1 060 793 | | 1 484 509 | 2 147 790 |
| 4. External Examinations | 534 372 | | | (1 235) | | | (1 235) | 533 137 |
| 5. Conditional Grants | 2 547 | | | | | | | 2 547 |
| Total for Programmes | 1 720 871 | | 289 549 | 88 022 | 1 060 793 | | 1 438 364 | 3 159 235 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 899 608 | | | (164 244) | 100 151 | | (64 093) | 835 515 |
| Compensation of employees | 415 172 | | | (93 700) | 19 398 | | (74 302) | 340 870 |
| Salaries & wages | 415 172 | | | (94 250) | | | (94 250) | 320 922 |
| Goods and services | 484 436 | | | (70 544) | 80 753 | | 10 209 | 494 645 |
| Transfers and subsidies | 648 531 | | 289 549 | 251 398 | 960 242 | | 1 501 189 | 2 149 720 |
| Departmental agencies and accounts | 111 178 | | | (550) | | | (550) | 110 628 |
| Non-profit institutions | 85 321 | | 289 549 | 251 948 | 960 242 | | 1 501 739 | 1 587 060 |
| Households | 452 032 | | | | | | | 452 032 |
| Payments for capital assets | 172 732 | | | 868 | 400 | | 1 268 | 174 000 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 172 732 | | | 868 | 400 | | 1 268 | 174 000 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 1 720 871 | | 289 549 | 88 022 | 1 060 793 | | 1 438 364 | 3 159 235 |

TABLE 5.15: SUMMARY OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|---|-----------|---|--------|
| Current payments | | (263 218) | | 98 974 |
| Compensation of employees | The budget for payment of patrollers in schools not on PERSAL has been transferred to schools and stipends will not be paid through PERSAL as budgeted. | (96 500) | Budget allocated for UIF for patrollers in schools paid through PERSAL and for COVID-19 Youth Brigades in schools. | 2 800 |
| | The budget for payment of patrollers in schools paid on PERSAL disaggregated to provide for UIF contribution. | | | |
| Goods and services | As a result of the revised operational plan and COVID-19 regulations, funds allocated for conferences, forums, workshops, behaviour modification camps, guided prison tours, and some training programmes reprioritised to fund other priorities as these events have been suspended. | (166 718) | Provision for marketing of online admission advocacy, for security services to capacitate patrollers to strengthen safety access in schools; and for procurement of consumable items to upload curriculum content packages. | 96 174 |
| | Furthermore, the rotational work of employees resulted in a decrease in | | Provision to cover the payment of the stipends to the COVID-9 Youth Brigades in schools and for payment of accruals for | |

| Economic classification | Motivation | From | Motivation | To |
|---|---|-----------|--|---------|
| Interest and rent on land | operational costs related to landlines, travelling, stationary usage and printing. | | additional marking venues in the previous financial year. | |
| Transfers and subsidies | | (550) | | 251 948 |
| Provinces and municipalities Departmental agencies and accounts Higher education institutions Foreign governments and international organisations Public corporations and private enterprises Non-profit institutions | Re-alignment of funds for software licence to SITA data lines. | (550) | Provision for the shortfall on payment of stipends to the COVID- 19 screeners under the Presidential Youth Employment Initiative programme, for payment of stipends to patrollers in schools and for training of patrollers by Matthew Goniwe School of Leadership and Governance. | 251 948 |
| Households | | | | |
| Payments for capital assets | | (310) | | 1 178 |
| Buildings and other fixed structures Machinery and equipment Heritage assets Specialised military assets Biological assets Land and sub-soil assets Software and other intangible assets Payments for financial assets | Funds were budgeted for procurement of IT equipment for the schools for the deaf, however these were provided by head office. | (310) | Provision for the procurement of additional photocopy machine due to bulk copying of examination papers and answer sheets, and additional office equipment for examination support services. | 1 178 |
| Total economic classification | | (264 078) | | 352 100 |

Roll-overs: R289.5 million

An amount of R289.5 million is rolled over for transfer payments to schools made by the Gauteng City Region Academy (GCRA) for the payment of stipends to the education assistants and general school assistants placed in schools under the Presidential Youth Employment Initiative (PYEI).

Virements and shifts

The programme received a total of R88 million to defray excess expenditure incurred under phase 1 of PYEI in relation to COVID -19 screeners at schools and provision is also made for the training of school safety patrollers by Matthew Goniwe School of Leadership and Governance.

Shifting within the programme amount to R264 million which is mainly to align with the revised operational plans for activities related to psycho-social services, school monitoring and support services in response to the impact of the lockdown and the COVID 19 regulations. Funds will be reprioritised for capacitating the school safety patrollers to strengthen safety access in schools, for online admission advocacy and for the payment of stipends to school safety patrollers, COVID-19 Youth Brigades and COVID-19 screeners in schools under the Presidential Youth Employment Initiative. Furthermore, funds are shifted to make provision for the printing of examination packages and for the procurement of curriculum related items such as memory sticks, power banks, external hard drives, etc. to store data and upload content packages at districts and at schools.

Additional Funding: National R1 billion

The department received an additional amount of R1 billion for the Presidential Youth Employment Initiative (PYEI). Based on the success of implementing Phase I of the PYEI and the support of the intervention by stakeholders in the Basic Education Sector and in the broader society, the Department of Basic Education (DBE) is extending the intervention to Phase II. The

PYEI is a public employment intervention that focus on providing schools with capacity by hiring education assistants and general school assistants to deal with educational demands within the context of COVID-19.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 5.16: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21: EDUCATION

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|---|--------------------------------|----------------------|---------------------|---|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 3 615 647 | 1 851 742 | 3 879 873 | 107% | 4 461 537 | 2 448 098 | 32% |
| 2. Public Ordinary School Education | 39 443 407 | 17 260 988 | 38 004 261 | 96% | 40 508 439 | 18 908 696 | 10% |
| 3. Independent School Subsidies | 901 175 | 561 211 | 890 768 | 99% | 980 518 | 622 476 | 11% |
| 4. Public Special School Education | 3 689 997 | 1 938 051 | 3 688 358 | 100% | 4 484 983 | 2 005 403 | 3% |
| 5. Early Childhood Development | 1 096 028 | 416 720 | 1 114 763 | 102% | 1 464 353 | 513 005 | 23% |
| 6. Infrastructure Development | 1 412 897 | 516 521 | 1 514 810 | 107% | 1 619 208 | 531 358 | 3% |
| 7. Examination and Education Related Services | 2 717 447 | 294 018 | 2 040 675 | 75% | 3 159 235 | 1 236 052 | 320% |
| Total | 52 876 598 | 22 839 251 | 51 133 508 | 97% | 56 678 273 | 26 265 088 | 15% |
| Current payments | 45 697 489 | 19 700 259 | 43 903 640 | 96% | 47 789 574 | 22 137 236 | 12% |
| Compensation of employees | 38 133 136 | 18 060 879 | 37 477 728 | 98% | 40 278 469 | 19 832 632 | 10% |
| Goods and Services | 7 564 353 | 1 639 371 | 6 425 839 | 85% | 7 511 102 | 2 304 602 | 41% |
| Interest and rent on land | | 9 | 73 | | 3 | 2 | (78)% |
| Transfers and subsidies | 6 394 556 | 2 766 126 | 6 454 878 | 101% | 7 602 882 | 3 766 567 | 36% |
| Provinces and municipalities | | | | | | | |
| Departmental agencies and accounts | 79 274 | 79 260 | 79 260 | 100% | 110 708 | 109 678 | 38% |
| Non-profit institutions | 6 022 377 | 2 601 723 | 5 858 425 | 97% | 6 848 021 | 3 166 173 | 22% |
| Households | 292 905 | 85 143 | 517 193 | 177% | 644 153 | 490 716 | 476% |
| Payments for capital assets | 784 553 | 372 866 | 753 899 | 96% | 1 285 817 | 359 563 | (4)% |
| Buildings and other fixed structures | 508 804 | 207 485 | 494 915 | 97% | 1 045 897 | 331 443 | 60% |
| Machinery and equipment | 203 201 | 130 649 | 216 496 | 107% | 207 791 | 20 588 | (84)% |
| Land and sub-soil assets | 62 748 | 24 953 | 24 954 | 40% | 16 000 | | |
| Software and other intangible assets | 9 800 | 9 779 | 17 534 | 179% | 16 129 | 7 532 | |
| Payments for financial assets | | | 21 091 | | | 1 722 | |
| Total | 52 876 598 | 22 839 251 | 51 133 508 | 97% | 56 678 273 | 26 265 088 | 15% |

Expenditure trends for 2020/21

The department spent R51.1 billion against a budget of R52.8 billion which is 97% of the adjusted appropriation. The underspending is mainly attributable to activities that were affected by COVID-19 due to the lockdown restrictions and delays in the re-opening of schools. Underspending was also caused by the termination of contracts for temporary educators, delayed appointments for 2021 academic year due to revised school calendar, the impact of COVID-19 on some of the activities under the feeding programme, delays experienced with the procurement of Personal Protective Equipment (PPE), delays by service providers in delivering ordered learner and teacher support materials, school furniture etc.

Given the challenges, the department had to find measures to deliver the curriculum which included virtual training where possible. Spending on some planned activities such as training schools on OHS compliance, GCRA programmes, matric announcements, etc. were either suspended or postponed which resulted in lower expenditure. Transfers and subsidies were

below the budget due to transfers in relation to the Presidential Youth Employment Initiative in schools. The initiative started late in the year and some schools did not participate as anticipated.

Preliminary expenditure trends for the first half of 2021/22

Programme 1: Administration

Total expenditure for the first six months of 2021/22 financial year amounts to R2.4 billion. This spending is 32 per cent more than the comparative figure from the 2020/21 financial year. The increase is attributable to the backdated payment of the non-pensionable cash allowance as per the 2021/22 public sector wage settlement whereas in the 2020/21 financial year, improvement in conditions of services was not paid. Furthermore, expenditure in the first half of 2020/21 was slow due to the hard lockdown period.

Programme 2: Public Ordinary Schools

The department spent R18.9 billion as at the end of September 2021 compared to R17.2 billion in the same period of 2020/21. The higher expenditure in 2021/22 is due to the payment of the non-pensionable cash allowance in line with the 2021/22 public sector wage agreement whereas in 2020/21 there was no salary increment. The hard lockdown in 2020/21 affected spending, and there were delays in the reopening of schools and the delivery of some services such as school nutrition, scholar transport were affected.

Programme 3: Independent Schools

Spending in the first half of 2021/22 amounts to R622 million compared to R561 million spent in the same period of the 2020/21 financial year. An increase of 11% is due to certain independent schools which did not qualify for subsidies based on outcome of the audit during the 2020/21 financial year.

Programme 4: Public Special Schools

Expenditure in this programme is R2 billion for 2021/22 compared to R1.9 billion in 2020/21. The higher expenditure in 2021/22 is due to the payment of non-pensionable cash allowance in line with the public sector wage agreement whereas in 2020/21 there was no salary increment. The hard lockdown in 2020/21 and the extended school closure period affected spending and therefore this resulted in lower expenditure as compared to the 2021/22 financial year.

Programme 5: Early Childhood Development

The department spent R513 million as at the end of September 2021. This is an increase of 23 per cent compared to the same period in 2020/21. The increase is due to conversion of remuneration for ECD practitioners who obtained a diploma as per the agreement with labour parties.

Programme 6: Infrastructure Development

The department has spent R531 million as at the end of September 2021 compared to R517 million spent in the same period of the 2020/21 financial year. The increase is due to the repair and maintenance of schools vandalised during the lockdown period.

Programme 7: Examination and Education Related Services

The department spent R1.2 billion in this programme by the end of second quarter of 2021/22 compared to R294 million spent in the same period in 2020/21. The large increase is due to payment of stipends to COVID-19 screeners under the Presidential Youth Employment Initiative which was introduced in the 2020/21 adjustment budget process. Expenditure is also higher in the first quarter of 2021 as compared to 2020 under the Examination sub-programme due to the deferral of the June supplementary exam in 2020. The lock down period also affected spending on training programmes and other activities.

6. Departmental Receipt

TABLE 5.17: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|---------------------|--|------------------------|----------------------|---------------------------------|
| | Audited Outcome | | | | Preliminary Receipts | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 29 554 | 15 243 | 32 821 | 11% | 33 124 | 16 228 | 6% |
| Of which Health patient fees | | | | 0% | | | #DIV/0! |
| Transfers received | | | | 0% | 0 | | 0% |
| Fines, penalties and forfeits | 44 | 31 | 85 | 93% | 94 | 38 | 23% |
| Interest, dividends and rent on land | 213 | 99 | 407 | 91% | 248 | 109 | 10% |
| Sales of capital assets | | | | 0% | 0 | | 0% |
| Financial transactions in assets and liabilities | 4 761 | 3 714 | 11 101 | 133% | 3 820 | 12 473 | 236% |
| Total Receipts | 34 572 | 19 087 | 44 414 | 28% | 37 286 | 28 848 | 51% |

Revenue trends for the first half of 2021/21

The table above shows the contribution of each revenue source towards the total revenue generated at the end of second quarter of the 2021/22 financial year. The estimated actual revenue to be collected by the end of the 2021/22 financial year amount to R37.3 million. This remain the same as the main appropriation, thus there are no adjustments.

The total revenue collected for the first half of 2021/22 amounts to R28.8 million or 77 percent of the expected collection for the 2021/22 financial year. There is an increase of R9.8 million when comparing the first half of the 2021/22 financial year with the first half of the 2020/21 financial year. This is attributable to the high collection under sales of goods and services other than capital assets and interest, dividends and rent on land. Revenue generated from this source cannot be estimated as it is dependent on amongst others non-contractual departmental debts and once-off collection from stale cheques.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 5.18: SUMMARY OF CHANGES TO TRANSFER AND SUBSIDIES

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 11 610 | | | 36 799 | | | 36 799 | 48 409 |
| Households | 11 530 | | | 36 799 | | | 36 799 | 48 329 |
| Departmental agencies and accounts | 80 | | | | | | | 80 |
| 2. Public Ordinary School Education | 3 333 461 | | | (47 965) | | | (47 965) | 3 285 496 |
| Households | 137 800 | | | | | | | 137 800 |
| Public Ordinary Schools | 2 812 208 | | | (80 488) | | | (80 488) | 2 731 720 |
| Sci Bono | 237 526 | | | 25 543 | | | 25 543 | 263 069 |
| Matthew Goniwe | 145 927 | | | 6 980 | | | 6 980 | 152 907 |
| Name of transfer payment 7 | | | | | | | | |
| 3. Independent Schools Subsidies | 970 518 | | | | | | | 970 518 |
| Independent Schools | 970 518 | | | | | | | 970 518 |
| 4. Public Special School Education | 926 909 | | | (7 490) | | | (7 490) | 919 419 |
| Households | 4 167 | | | 1 825 | | | 1 825 | 5 992 |
| Matthew Goniwe School of Leadership | 2 546 | | | | | | | 2 546 |
| Special Schools | 920 196 | | | (9 315) | | | (9 315) | 910 881 |
| 5. Early Childhood Development | 250 789 | | | (21 469) | | | (21 469) | 229 320 |
| Households | | | | | | | | |

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Matthew Goniwe School of Leadership | 56 556 | | | (12 000) | | | (12 000) | 44 556 |
| Grade R in Public Schools | 194 233 | | | (9 469) | | | (9 469) | 184 764 |
| Programme 6 | | | | | | | | |
| Name of transfer payment 1 | | | | | | | | |
| 7. Examination And Education Related Services | 648 531 | | 289 549 | 251 398 | 960 242 | | 1 501 189 | 2 149 720 |
| Households | 452 032 | | | | | | | 452 032 |
| SETA | 109 678 | | | | | | | 109 678 |
| Dept Agencies and Accounts | 1 500 | | | (550) | | | (550) | 950 |
| Matthew Goniwe School of Leadership | 85 321 | | | (5 052) | | | (5 052) | 80 269 |
| Transfers to Schools | | | 289 549 | 257 000 | 960 242 | | 1 506 791 | 1 506 791 |
| Total changes in transfers and subsidies payments | 6 141 818 | | 289 549 | 211 273 | 960 242 | | 1 461 064 | 7 602 882 |

Roll-overs: R289.5 million

An amount of R289.5 million is rolled over to pay stipends to the Education Assistants and General Assistants placed in schools under the Presidential Youth Employment Initiative.

Virements and shifts

Transfers and subsidies increase by a net amount of R211.3 million. Transfers to households increases by R38.6 million to settle claims against state and pay leave gratuity to ex-employees.

Transfers to Public Ordinary Schools increase by a net amount of 176.5 million due to budget allocated to defray excess expenditure on the stipends paid to COVID-19 screeners under the Presidential Youth Employment Initiative and to transfer funds to schools for the payment of patrollers at schools as part of school safety initiatives.

Transfers to Sci- Bono Discovery Centre increase by R25.5 million due to funds allocated for the robotic and coding programmes for primary schools and the Secondary School Intervention Programme (SSIP).

Transfers to Matthew Goniwe School of Leadership and Governance decrease by a net amount of R10 million, funds which were allocated for training of Grade R practitioners will not be spent due to COVID-19 restrictions, and budget shifts to goods and services to procure LTSM.

Transfers to Public Special schools is reduced by a net amount of R9.3 million since the budget for security services and municipal services for schools that do not have full Section 21 functions will not be transferred, and such services will be centrally managed for these schools.

Transfers to Grade R in Schools decrease by R9.4 million as the department will no longer transfers these funds to schools for the procurement of LTSM and management handling fees. The department will procure centrally on behalf of the schools that do not have full Section 21 functions.

Transfers on departmental agencies and accounts decrease by R550 000 due to realignment of funds from transfers to goods and services (computer services) for SITA data line.

Additional Funding: National R960.2 million

Transfers to schools increase by R960.2 million for the implementation of phase II of the Presidential Youth Employment Initiative to provide for the employment of education assistants and general school assistants at schools.

Changes to conditional grants

TABLE 5.19: SUMMARY OF CHANGES TO CONDITIONAL GRANTS

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 2. Public Ordinary School Education | 1 054 005 | | 10 000 | | | | 10 000 | 1 064 005 |
| HIV and AIDS (Life Skills Education) Grant | 36 464 | | | | | | | 36 464 |
| National School Nutrition Programme Grant | 958 730 | | 10 000 | | | | 10 000 | 968 730 |
| Maths, Science & Technology Grant | 58 811 | | | | | | | 58 811 |
| 4. Public Special School Education | 33 156 | | 1 362 | | | | 1 362 | 34 518 |
| Learners with Profound Intellectual Disabilities Grant | 33 156 | | 1 362 | | | | 1 362 | 34 518 |
| Programme 6 | 1 589 208 | | | | | | | 1 589 208 |
| Education Infrastructure Grant | 1 589 208 | | | | | | | 1 589 208 |
| 7. Examination And Education Related Services | 2 547 | | | | | | | 2 547 |
| Expanded Public Works Programme Intergrated Grant for Provinces | 2 547 | | | | | | | 2 547 |
| Grant 2 | | | | | | | | |
| Total changes in conditional grants | 2 678 916 | | 11 362 | | | | 11 362 | 2 690 278 |

Roll-overs: R11.3 million

A total amount of R11.3 million is rolled over from the previous financial year, of which R10 million is for the National School Nutrition Programme grant and R1.3 million for the Learners with Profound Intellectual Disabilities grant all of which will be used to settle outstanding invoices and commitments.

Changes to infrastructure

Refer to 2021 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 6

DEPARTMENT OF SOCIAL DEVELOPMENT

| R thousand | 2021/22 | | | |
|------------------------------|----------------------------|------------------------|----------|----------|
| | Main Appropriation | Adjusted Appropriation | Decrease | Increase |
| Amount to be appropriated | 5 882 786 | 6 148 557 | | 265 771 |
| of which: | | | | |
| Current payments | 3 214 302 | 3 318 501 | | 104 199 |
| Transfers and subsidies | 2 568 334 | 2 713 611 | | 145 277 |
| Payments for capital assets | 100 150 | 116 317 | | 16 167 |
| Payment for financial assets | | 128 | | 128 |
| Executive authority | MEC for Social Development | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission

Vision

A Caring and Self-reliant Society.

Mission

To transform our society by building conscious and capable citizens through the provision of integrated social development services.

2. Changes to Programme Purpose, Objective and Measures

No changes

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 6.1: DEPARTMENT OF SOCIAL DEVELOPMENT

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Administration | 741 231 | | | (3 183) | | 4 653 | 1 470 | 742 701 |
| 2. Social Welfare Services | 989 427 | | 3 225 | 6 430 | | 5 450 | 15 105 | 1 004 532 |
| 3. Children and Families | 2 618 697 | | 142 386 | (118 608) | 69 303 | 26 818 | 119 899 | 2 738 596 |
| 4. Restorative Services | 783 841 | | 8 862 | 979 | | 962 | 10 803 | 794 644 |
| 5. Development and Research | 749 590 | | 4 112 | 114 382 | | | 118 494 | 868 084 |
| Total for programmes | 5 882 786 | | 158 585 | | 69 303 | 37 883 | 265 771 | 6 148 557 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 3 214 302 | | 66 004 | (27 701) | 43 680 | 22 216 | 104 199 | 3 318 501 |
| Compensation of employees | 2 028 684 | | | (1 260) | 43 680 | | 42 420 | 2 071 104 |
| Salaries & wages | 1 727 341 | | | (6 036) | 43 680 | | 37 644 | 1 764 985 |
| Social contribution | 301 343 | | | 4 776 | | | 4 776 | 306 119 |
| Goods and services | 1 185 618 | | 66 004 | (26 441) | | 22 216 | 61 779 | 1 247 397 |
| Transfers and subsidies | 2 568 334 | | 92 581 | 27 073 | 25 623 | | 145 277 | 2 713 611 |
| Departmental agencies and accounts | 70 | | | 3 074 | | | 3 074 | 3 144 |
| Non-profit institutions | 2 561 266 | | 92 581 | 21 169 | 25 623 | | 139 373 | 2 700 639 |
| Households | 6 998 | | | 2 830 | | | 2 830 | 9 828 |
| Payments for capital assets | 100 150 | | | 500 | | 15 667 | 16 167 | 116 317 |
| Buildings and other fixed structures | 78 614 | | | | | 15 667 | 15 667 | 94 281 |
| Machinery and equipment | 21 536 | | | | | | | 21 536 |
| Software and other intangible assets | | | | 500 | | | 500 | 500 |
| Payments for financial assets | | | | 128 | | | 128 | 128 |
| Thefts & Losses | | | | 128 | | | 128 | 128 |
| Total economic classification | 5 882 786 | | 158 585 | | 69 303 | 37 883 | 265 771 | 6 148 557 |

The main appropriation increases from R5.8 billion to an adjusted appropriation of R6.1 billion. The increase of R265.8 million is informed by roll-overs of unspent funds from the prior financial year, additional funding from national and additional funding from the provincial fiscus.

A total amount of R158.5 million is rolled over from the previous financial year to fund commitments on various programmes including the Presidential Early Childhood Development (ECD) Employment Stimulus Relief Fund, school uniform and the expansion of food relief programmes. In addition, the roll-over also is for commitments on various other programmes implemented by non-profit institutions (NPIs) including, inter alia, substance abuse, HIV behavioural change, Victim Empowerment and Child and Youth Care Centres.

The department receives a total additional allocation of R107.1 million of which R43.6 million is for the appointment of social workers as part of addressing the backlog of unemployed social worker graduates and 25.6 million addresses the shortfall from phase 1 of the Presidential Youth Employment Initiative that sought to supplement the income of early childhood development related workers impacted by the COVID-19 pandemic. A further R37.8 million is received to augment budget for infrastructure projects that are ahead of schedule. The infrastructure projects funded include architectural services, the refurbishment and upgrading of buildings and the implementation of planned and emergency maintenance.

A total amount of R1.2 million is reprioritised from compensation of employees, of which R500 000 is from Infrastructure Development Management System (IDMS) and R760 000 from ECD conditional grant (Administration component).

An amount of R26.4 million is reprioritised from goods and services items including Dignity Packs and school uniform to fund spending pressures within NPIs. The budget is reprioritised mainly to fund the Food Relief Expansion Programme, the reinstatement cost to be paid to renew the lease for the office building, spending pressure on outsourced services, a budgetary shortfall on government fleet, the extension of the contract for the Mogale City Secure Care Centre and for the settlement of accruals.

Transfers to departmental agencies and account receives R3 million to cover the payment of a claim from the Government Employee Pension Fund (GEPF) for an additional liability paid when a member of the GEPF retires or is discharged from the public service prior to normal retirement age.

The budget for non-profit-institutions is increased by R21.1 million. This increase will augment the allocation for Food Banks' operations due to the Food Relief Expansion Programme. Funds shift will also supplement the Victim Empowerment Programme (VEP) for the provision of victim friendly rooms (VFR) at the police stations and cluster supervision. In addition, the funds will augment provincial skills programme for agriculture and the expansion of Youth Development NQF4 accredited training into full qualification as part of capacity building programme.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 6.2: PROGRAMME 1: ADMINISTRATION

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|----------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Office Of The MEC | 11 129 | | | (1 866) | | | (1 866) | 9 263 |
| 2. Corporate Management Services | 378 552 | | | (1 790) | | | (1 790) | 376 762 |
| 3. District Management | 351 550 | | | 473 | | 4 653 | 5 126 | 356 676 |
| Total for programme | 741 231 | | | (3 183) | | 4 653 | 1 470 | 742 701 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 715 805 | | | (3 342) | | 4 653 | 1 311 | 717 116 |
| Compensation of employees | 350 955 | | | (2 500) | | | (2 500) | 348 455 |
| Salaries & wages | 302 735 | | | (3 290) | | | (3 290) | 299 445 |
| Social contribution | 48 220 | | | 790 | | | 790 | 49 010 |
| Goods and services | 364 850 | | | (842) | | 4 653 | 3 811 | 368 661 |
| Transfers and subsidies | 4 622 | | | 5 016 | | | 5 016 | 9 638 |
| Departmental agencies and accounts | 70 | | | 3 074 | | | 3 074 | 3 144 |
| Households | 4 552 | | | 1 942 | | | 1 942 | 6 494 |
| Payments for capital assets | 20 804 | | | (4 871) | | | (4 871) | 15 933 |
| Machinery and equipment | 20 804 | | | (5 371) | | | (5 371) | 15 433 |
| Software and other intangible assets | | | | 500 | | | 500 | 500 |
| Payments for financial assets | | | | 14 | | | 14 | 14 |
| Thefts & Losses | | | | 14 | | | 14 | 14 |
| Total economic classification | 741 231 | | | (3 183) | | 4 653 | 1 470 | 742 701 |

TABLE 6.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|------------------------------------|--|----------|--|--------|
| Current payments | | (22 647) | | 19 305 |
| Compensation of employees | Funds are shifted as budget will not be spent in full due to vacant posts not filled. | (7 676) | Funds shift to cover the shortfall on non-pensionable cash allowance. | 5 176 |
| Goods and services | Funds allocated for probity auditors, audit fees and items affected by lockdown regulations are reprioritised. | (14 971) | Funds shift to cover the payment of reinstatement cost for a leased building and the shortfall on g-Fleet. | 14 129 |
| Transfers and subsidies | | | | 5 016 |
| Departmental agencies and accounts | | | Funds to cover shortfall on TV licenses for the departmental Institutions, pension liability, rates and taxes to municipality. | 3 074 |
| Non-profit institutions | | | | |
| Households | | | Funds to cover payments of leave gratuity for officials that retired or resigned from the public sector. | 1 942 |
| Payments for capital assets | | (6 972) | | 2 101 |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|-----------------|---|---------------|
| Buildings and other fixed structures | Funds are shifted to other programmes to offset expenditure incurred on the procurement of assets. The budget for the procurement of assets is centralised to the Corporate Management sub-programme as a cost control measure. | (6 972) | Funds shift to cover expenditure incurred on assets. The budget for assets is centralised in Programme 1: Administration as a cost control measure. | 1 601 |
| Machinery and equipment | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | Funds shift to cover expenditure for irrecoverable debt written-off. | 14 |
| Total economic classification | | (29 619) | | 26 436 |

The programme budget increases slightly from R741 million to R743 million due to the net effect of the shifting of funds to other programmes and the allocation of additional budget.

Virements and shifts

A total amount of R2.5 million is reprioritised from compensation of employees as some of the vacant posts were filled late in the financial year, and as a result such funds will not be spent by the end of the financial year.

The goods and services' budget increases to supplement the g-Fleet allocation due to an anticipated shortfall as additional vehicles were acquired. Funds shifts to also cover the reinstatement cost that must be paid to the landlord to renew the lease agreement for the rental of office buildings.

An amount of R3 million is shifted to departmental agencies and accounts to cover the payment of a claim from the Government Employee Pension Fund (GEPF) for an additional liability payable when a member of the GEPF retires or is discharged from the public service prior to the normal retirement age. The funds shift will also be used to pay rates and taxes for the Protea Glen Social Integrated Facility.

Transfers to households is increased by R1.9 million to cover the shortfall on leave gratuity payable to officials who retires or resigns from the public sector. Several leave gratuity payments were processed in the first two quarters of the financial year.

The budget allocated for the procurement of assets in the department is centralised in Programme 1: Administration as part of a cost control measure and an amount of R5.3 million is shifted to other programmes to cover expenditure incurred on assets.

An amount of R500 000 is reprioritised to software and other intangible assets to procure AutoCAD software.

Additional Funding: Provincial R4.6 million

An additional budget of R4.6 million is allocated to the programme to cover spending pressure on planned and emergency maintenance at Regional Offices, including service points.

Programme 2: Social Welfare Services

TABLE 6.4: PROGRAMME 2: SOCIAL WELFARE SERVICES

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Management and Support | 7 793 | | | (967) | | | (967) | 6 826 |
| 2. Care And Services to Older Persons | 353 153 | | | 8 554 | | 5 189 | 13 743 | 366 896 |
| 3. Services to Persons With Disabilities | 172 011 | | | 1 145 | | 261 | 1 406 | 173 417 |
| 4. HIV and AIDS | 456 470 | | 3 225 | (2 302) | | | 923 | 457 393 |
| Total for programme | 989 427 | | 3 225 | 6 430 | | 5 450 | 15 105 | 1 004 532 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 133 315 | | | (6 016) | | 4 150 | (1 866) | 131 449 |
| Compensation of employees | 81 809 | | | (2 356) | | | (2 356) | 79 453 |
| Salaries & wages | 66 466 | | | (1 656) | | | (1 656) | 64 810 |
| Social contribution | 15 343 | | | (700) | | | (700) | 14 643 |
| Goods and services | 51 506 | | | (3 660) | | 4 150 | 490 | 51 996 |
| Transfers and subsidies | 852 712 | | 3 225 | 11 174 | | | 14 399 | 867 111 |
| Non-profit institutions | 851 882 | | 3 225 | 11 000 | | | 14 225 | 866 107 |
| Households | 830 | | | 174 | | | 174 | 1 004 |
| Payments for capital assets | 3 400 | | | 1 272 | | 1 300 | 2 572 | 5 972 |
| Buildings and other fixed structures | 3 400 | | | 450 | | 1 300 | 1 750 | 5 150 |
| Machinery and equipment | | | | 822 | | | 822 | 822 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 989 427 | | 3 225 | 6 430 | | 5 450 | 15 105 | 1 004 532 |

TABLE 6.5: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: SOCIAL WELFARE SERVICES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|-----------------|--|---------------|
| Current payments | | (9 374) | | 3 358 |
| Compensation of employees | Funds are shifted as budget will not be spent in full due to vacant posts not filled. | (2 356) | | |
| Goods and services | Funds allocated to advertise departmental programmes at community radio stations, printing of pamphlets and venue hire are reprioritised. Saving also realised on contract awarded for the procurement of ART food parcels. | (7 018) | Funds shift to cover the procurement of surgical masks and gloves for residential facilities for Older Persons and Persons with Disabilities. Funds to also cover the training of newly appointed Social Work Supervisors, HBC officials and sign language(Makaton). | 3 358 |
| Transfers and subsidies | | | | 11 174 |
| Non-profit institutions | | | Funds shift to cover the shortfall and to deal with pressure of accruals from previous financial year for Persons with Disabilities, Older Persons and HIV Social Behavioural Change programmes. | 11 000 |
| Households | | | Funds shift to cover payments of leave gratuity for officials that retired or resigned from the public sector. | 174 |
| Payments for capital assets | | (989) | | 2 261 |
| Buildings and other fixed structures | Funds are reprioritised from infrastructure projects that are behind schedule. | (989) | Funds shift to cover accruals and augment projects that are ahead of schedule. | 1 439 |
| Machinery and equipment | | | Funds shift to cover expenditure incurred on assets. The budget for assets is centralised in Programme 1: Administration as a cost control measure. | 822 |
| Payments for financial assets | | | | |
| Total economic classification | | (10 363) | | 16 793 |

The programme budget increases from R989 million to R1 billion through the shifting of funds from other programmes, and the accumulation of roll-overs and additional allocations.

Roll-overs: R3.2 million

An amount of R3.2 million is rolled over from previous financial year to fund commitments on the provision of the HIV Social Behavioural programme.

Virements and shifts

An amount of R2.4 million is reduced from compensation of employees to fund anticipated shortfall on the payment of non-pensionable cash allowances in other programmes.

A total amount of R3.7 million is shifted from goods and services mainly due to the decrease on food parcels meant for those on the HIV and AIDS Anti-retroviral Treatment Programme as the award of the contract was less than the allocated budget. Shifting of funds within goods and services is also done to fund the procurement of PPEs for residential facilities for older persons and persons with disabilities. Provision is also made for training of newly appointed Social Work Supervisors and for sign language lessons.

The budget for non-profit institutions increases by R11 million to cover the anticipated shortfall and to deal with pressure of accruals from previous financial year for Persons with Disabilities, Older Persons and HIV Social Behavioural Change programmes.

A total amount of R450 000 is shifted to buildings and other fixed structures from other programmes to cover spending pressure on refurbishment projects within the programme.

Machinery and Equipment is allocated R822 000 to cover expenditure incurred on the procurement of assets. The budget for assets is centralised in Programme 1: Administration as a cost control measure and budget is allocated to align budget to expenditure.

Additional Funding: Provincial R5.4 million

An additional allocation of R5.4 million is received in this programme to supplement infrastructure budget at Zanele Mbeki Frail Care Centre, Mohlakeng Residential Facility and Itireleng Centre for the disabled.

Programme 3: Children and Families

TABLE 6.6: PROGRAMME 3: CHILDREN AND FAMILIES

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Management And Support | 11 780 | | | 98 | | | 98 | 11 878 |
| 2. Care And Services To Families | 251 746 | | | | | | | 251 746 |
| 3. Child Care And Protection | 845 317 | | | 20 843 | 43 680 | 1 813 | 66 336 | 911 653 |
| 4. ECD And Partial Care | 527 251 | | 77 921 | (47) | 25 623 | 6 283 | 109 780 | 637 031 |
| 5. Child And Youth Care Centres | 705 685 | | 2 573 | (35 002) | | 18 722 | (13 707) | 691 978 |
| 6. Community-Based Care Services For Children | 276 918 | | 61 892 | (104 500) | | | (42 608) | 234 310 |
| Total for programme | 2 618 697 | | 142 386 | (118 608) | 69 303 | 26 818 | 119 899 | 2 738 596 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|----------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 1 545 681 | | 61 892 | (106 624) | 43 680 | 12 913 | 11 861 | 1 557 542 |
| Compensation of employees | 1 143 344 | | | (17 760) | 43 680 | | 25 920 | 1 169 264 |
| Salaries & wages | 978 433 | | | (24 955) | 43 680 | | 18 725 | 997 158 |
| Social contribution | 164 911 | | | 7 195 | | | 7 195 | 172 106 |
| Goods and services | 402 337 | | 61 892 | (88 864) | | 12 913 | (14 059) | 388 278 |
| Transfers and subsidies | 1 005 720 | | 80 494 | (18 599) | 25 623 | | 87 518 | 1 093 238 |
| Provinces and municipalities | | | | | | | | |
| Non-profit institutions | 1 004 579 | | 80 494 | (19 306) | 25 623 | | 86 811 | 1 091 390 |
| Households | 1 141 | | | 707 | | | 707 | 1 848 |
| Payments for capital assets | 67 296 | | | 6 526 | | 13 905 | 20 431 | 87 727 |
| Buildings and other fixed structures | 66 564 | | | 2 387 | | 13 905 | 16 292 | 82 856 |
| Machinery and equipment | 732 | | | 4 139 | | | 4 139 | 4 871 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | 89 | | | 89 | 89 |
| Thefts & Losses | | | | 89 | | | 89 | 89 |
| Total economic classification | 2 618 697 | | 142 386 | (118 608) | 69 303 | 26 818 | 119 899 | 2 738 596 |

TABLE 6.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: CHILDREN AND FAMILIES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|-----------|--|--------|
| Current payments | | (136 264) | | 29 640 |
| Compensation of employees | Funds are shifted as budget will not be spent in full due to vacant posts not filled. | (33 760) | Funds shift to cover the shortfall on non-pensionable cash allowance. | 16 000 |
| Goods and services | School uniform budget is reprioritised due to slow spending and funds are also shifted from g-fleet and training for Child and Youth Care Workers. | (102 504) | Reclassification of budget for school uniform quality assurance service providers. Funds shift to also cover the shortfall and accruals on outsourced services at Institutions and research on school Social Work programme. | 13 640 |
| Transfers and subsidies | | (19 306) | | 707 |
| Non-profit institutions | Unspent salaries for the first two quarters of Child Care Workers are reprioritised as training was completed in the second quarter and salaries will only be paid from third quarter. | (19 306) | | |
| Households | | | Funds shift to cover payments of leave gratuity for officials that retired or resigned from the public sector. | 707 |
| Payments for capital assets | | (272) | | 6 798 |
| Buildings and other fixed structures | Funds are reprioritised from infrastructure projects that are behind schedule. | (272) | Funds shift to cover accruals and infrastructure projects that are ahead of schedule. | 2 659 |
| Machinery and equipment | | | Funds shift to cover expenditure incurred on assets. The budget for assets is centralised in Programme 1: Administration as a cost control measure. | 4 139 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | Funds shift to cover expenditure incurred for the irrecoverable debt from former employees. | 89 |
| Total economic classification | | (155 842) | | 37 234 |

The overall programme main appropriation increases from R2.6 billion to the adjusted appropriation of R2.7 billion.

Roll-overs: R142.4 million

A total amount of R142.4 is rolled over from the previous financial year, which comprises of R61.8 million for the manufacturing and supply of school uniform, R77.7 million for the employment risk support for ECD practitioners, social workers and support staff employed at ECD centres as part of Presidential Youth Employment Initiative, R2.5 million for the Child and Youth Care Centres and R158 000 for the ECD centres.

Virements and Shifts

An amount of R17.7 million allocated to compensation of employees is redirected to other programmes mainly to align the personnel budget with expenditure at sub-programme level and to also fund payment of the non-pensionable cash allowance to officials on salary levels 1-12.

A total amount of R88.9 million is shifted from goods and services allocations for school uniform, training of Child and Youth Care Workers and g-Fleet. The school uniform budget will not be spent in full as a procurement model was not finalised by end of second quarter and therefore some of the funds are redirected to other areas of spending pressures. The allocated budget for training of child and youth care workers is also reprioritised as only 80 percent of the total contractual obligation will be paid in the current financial year.

The budget for non-profit institutions is reduced by R19.3 million due to the unspent salaries of Child and Youth Care Workers for the first two quarters of the financial year. The training of Child and Youth Care Workers was only completed in the second quarter and therefore salaries will be paid from the third quarter.

An amount of R2.3 million is shifted to buildings and other fixed structures through the shifting of funds from other programmes to supplement refurbishment of the Emmasdal Child and Youth Care Centre and the Ekurhuleni Regions which are facing spending pressures.

The programme receives an amount of R4.1 million on machinery and equipment to offset expenditure incurred on the procurement of assets at institutions and regions.

Additional Funding: National R69.3 million

An additional budget of R69.3 million is allocated to the programme. R43.6 million of this amount is to appoint Social Workers as part of addressing the backlog of unemployed social worker graduates and R25.6 million is part of the Presidential Youth Employment Initiative, to address the shortfall from phase 1 of the Presidential Youth Employment Initiative that sought to supplement the income of early childhood development related workers impacted by the COVID-19 pandemic.

Additional Funding: Provincial R26.8 million

Additional budget of R26.8 million is allocated to fund infrastructure projects that are experiencing spending pressures. The infrastructure projects that will be covered includes, amongst others the architectural services at Institutions, refurbishment at Walter Sisulu Child and Youth Care Centre, construction at Bekkerdal Social Integrated Facility and the maintenance of institutions. This funding is aimed at protecting and preserving jobs within the ECD sector.

Programme 4: Restorative Services

TABLE 6.8: PROGRAMME 4: RESTORATIVE SERVICES

| Sub-programmes R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|-----------------------|---|--------------|-------------------------|------------------------------------|--------------------------------------|----------------------|---------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Management And Support | 1 562 | | | (23) | | | (23) | 1 539 |
| 2. Crime Prevention And Support | 193 321 | | | 9 473 | | 309 | 9 782 | 203 103 |
| 3. Victim Empowerment | 165 545 | | 596 | (10 794) | | 200 | (9 998) | 155 547 |
| 4. Substance Abuse, Prevention And Rehabilitation | 423 413 | | 8 266 | 2 323 | | 453 | 11 042 | 434 455 |
| Total for programme | 783 841 | | 8 862 | 979 | | 962 | 10 803 | 794 644 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|-----------------------|---|--------------|-------------------------|------------------------------------|--------------------------------------|----------------------|---------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 303 947 | | | (7 359) | | 500 | (6 859) | 297 088 |
| Compensation of employees | 165 739 | | | (14 000) | | | (14 000) | 151 739 |
| Salaries & wages | 136 952 | | | (11 518) | | | (11 518) | 125 434 |
| Social contribution | 28 787 | | | (2 482) | | | (2 482) | 26 305 |
| Goods and services | 138 208 | | | 6 641 | | 500 | 7 141 | 145 349 |
| Transfers and subsidies | 471 244 | | 8 862 | 10 963 | | | 19 825 | 491 069 |
| Provinces and municipalities | | | | | | | | |
| Non-profit institutions | 471 069 | | 8 862 | 10 956 | | | 19 818 | 490 887 |
| Households | 175 | | | 7 | | | 7 | 182 |
| Payments for capital assets | 8 650 | | | (2 650) | | 462 | (2 188) | 6 462 |
| Buildings and other fixed structures | 8 650 | | | (2 837) | | 462 | (2 375) | 6 275 |
| Machinery and equipment | | | | 187 | | | 187 | 187 |
| Payments for financial assets | | | | 25 | | | 25 | 25 |
| Thefts & Losses | | | | 25 | | | 25 | 25 |
| Total economic classification | 783 841 | | 8 862 | 979 | | 962 | 10 803 | 794 644 |

TABLE 6.9: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: RESTORATIVE SERVICES

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|---|----------|--|--------|
| Current payments | | (24 549) | | 17 190 |
| Compensation of employees | Funds are shifted as budget will not be spent in full due to vacant posts not filled. | (18 186) | Funds shift to cover the shortfall on non-pensionable cash allowance. | 4 186 |
| Goods and services | Funds reprioritised as savings are realised on Kick-it documentary and other items affected by lockdown restrictions. | (6 363) | Funds shift to cover accruals for Mogale Secure Care Centre and the extension of the contract for one month to allow matriculants to complete examinations. Funds shift to also cover Crime Prevention and Substance Abuse awareness programmes. | 13 004 |
| Transfers and subsidies | | | | 10 963 |
| Non-profit institutions | | | Funds shift to cover the anticipated shortfall and to deal with pressure of accruals from the previous year for Substance Abuse programmes. Victim Empowerment | 10 956 |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------|---|--------|
| Households | | | Programme budget is also augmented for the provision of victim friendly rooms at police stations and cluster supervision. Funds shift to cover payments of leave gratuity for officials that retired or resigned from the public sector. | 7 |
| Payments for capital assets | | (5 328) | | 2 678 |
| Buildings and other fixed structures | Funds are reprioritised from infrastructure projects that are behind schedule. | (5 328) | Funds shift to cover accruals and infrastructure projects that are ahead of schedule. | 2 491 |
| Machinery and equipment | | | Funds shift to cover expenditure incurred on assets. The budget for assets is centralised in Programme 1: Administration as a cost control measure. | 187 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | Funds shift to cover expenditure incurred for the irrecoverable debt from former employees. | 25 |
| Total economic classification | | (29 877) | | 30 856 |

The overall budget of the programme increases from R784 million to R795 million.

Roll-overs: R8.9 million

A total amount of R8.9 million is rolled over from the previous financial year in this programme, of which R596 000 is for Victim Empowerment Programme and R8.2 million for the Substance Abuse and Rehabilitation programmes.

Virements and shifts

A total amount of R14 million is shifted from compensation of employees to align budget with expenditure in accordance with the warm bodies and the post-filling plan. The funds shift will also cover shortfalls on the non-pensionable cash allowance identified in other programmes.

The shifting of funds within goods and services is to cover accruals for the Mogale City Secure Care Centre and the extension of the contract for one month to allow matriculants to complete their examinations. Funds are also shifted to augment Crime Prevention and Substance Abuse awareness programmes.

Funds are reprioritised to non-profit institutions to cover the anticipated shortfall and to deal with the pressure of accruals for Substance Abuse programmes. Victim Empowerment Programme budget is also augmented for the provision of victim friendly rooms at police stations and cluster supervision.

Buildings and other fixed structures budget are reduced by R2.8 million as some of the projects are behind schedule. The affected projects include the Ratanda Shelter and the Sebokeng Inpatient Rehabilitation Centre.

An amount of R187 000 is allocated to machinery and equipment to offset the expenditure incurred on the procurement of assets. The budget for the procurement of assets is centralised in Programme 1: Administration as part of the cost control measures implemented in the department.

Additional Funding: Provincial R962 000

An additional amount of R962 000 is allocated to augment infrastructure projects in the programme, which includes the refurbishment and upgrading at Dr. Fabian and Florence Ribeiro Treatment Centre and the maintenance at the Soshanguve Secure Care Centre and Shelters for the vulnerable.

Programme 5: Development and Research

TABLE 6.10: PROGRAMME 5: DEVELOPMENT AND RESEARCH

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Management And Support | 6 562 | | | 37 | | | 37 | 6 599 |
| 2. Community Mobilisation | 15 779 | | | 28 066 | | | 28 066 | 43 845 |
| 3. Institutional Capacity And Support For NPOs | 209 462 | | | 3 049 | | | 3 049 | 212 511 |
| 4. Poverty Alleviation And Sustainable Livelihoods | 478 901 | | 4 112 | 74 369 | | | 78 481 | 557 382 |
| 5. Community Based Research And Planning | 6 137 | | | 1 054 | | | 1 054 | 7 191 |
| 6. Youth Development | 20 822 | | | 6 052 | | | 6 052 | 26 874 |
| 7. Woman Development | 7 233 | | | 1 000 | | | 1 000 | 8 233 |
| 8. Population Policy Promotion | 4 694 | | | 755 | | | 755 | 5 449 |
| Total for programme | 749 590 | | 4 112 | 114 382 | | | 118 494 | 868 084 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 515 554 | | 4 112 | 95 640 | | | 99 752 | 615 306 |
| Compensation of employees | 286 837 | | | 35 356 | | | 35 356 | 322 193 |
| Salaries & wages | 242 755 | | | 35 383 | | | 35 383 | 278 138 |
| Social contribution | 44 082 | | | (27) | | | (27) | 44 055 |
| Goods and services | 228 717 | | 4 112 | 60 284 | | | 64 396 | 293 113 |
| Transfers and subsidies | 234 036 | | | 18 519 | | | 18 519 | 252 555 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Non-profit institutions | 233 736 | | | 18 519 | | | 18 519 | 252 255 |
| Households | 300 | | | | | | | 300 |
| Payments for capital assets | | | | 223 | | | 223 | 223 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | 223 | | | 223 | 223 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 749 590 | | 4 112 | 114 382 | | | 118 494 | 868 084 |

TABLE 6.11: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: DEVELOPMENT AND RESEARCH

| Economic classification | Motivation | From | Motivation | To |
|------------------------------------|--|----------|---|---------|
| Current payments | | (70 673) | | 166 313 |
| Compensation of employees | Funds are reprioritised to align budget to expenditure. | (24 837) | Funds shift to cover the shortfall on non-pensionable cash allowance and the filling of vacant posts. | 60 193 |
| Goods and services | Budget for dignity packs and other slow spending items is reprioritised. | (45 836) | Funds shift to augment the Food Relief expansion programme. | 106 120 |
| Transfers and subsidies | | (8) | | 18 527 |
| Departmental agencies and accounts | | | | |
| Non-profit institutions | | | Funds shift to augment the Food Banks operations and to maintain the number of Community Nutrition Development Centres(CNDC) funded in the previous financial year to deal with the pressure of unemployment and the July unrest. Funds shift to also augment women development and capacity building programmes. | 18 519 |

| Economic classification | Motivation | From | Motivation | To |
|---|---|----------|---|---------|
| Households | Saving on payments of leave gratuity for officials that retired or resigned from the public sector are reprioritised. | (8) | Funds shift to cover payments of leave gratuity for officials that retired or resigned from the public sector. | 8 |
| Payments for capital assets | | | | 223 |
| Buildings and other fixed structures Machinery and equipment Software and other intangible assets | | | Funds shift to cover expenditure incurred on assets. The budget for assets is centralised in Programme 1: Administration as a cost control measure. | 223 |
| Payments for financial assets | | | | |
| Total economic classification | | (70 681) | | 185 063 |

The overall budget of the programme is adjusted upwards from R749 million to R868 million mainly due to the shifting of funds from other programmes.

Roll-overs: R4.1 million

R4.1 million in unspent funds from the 2020/21 financial year rolled over to the current financial year for the food relief programme in response to COVID-19 pandemic. The allocation will be used to pay commitments from the 2020/21 financial year.

Virements and Shifts

Compensation of employees' budget is increased to fund the payment of the non-pensionable cash allowance for officials on salary levels 1-12, which is backdated from April 2021 and the filling of vacant posts. The budget for compensation of employees is also increased to cover the appointment of Community Development Practitioners, Assistant Community Development Practitioners and Deputy Directors for NPO monitoring and evaluation.

The goods and services' budget increases by R60 million to mainly fund the food relief expansion programme in response to the COVID-19 pandemic. There are still households in the province that remain on the waiting list to receive food parcels and the impact of COVID-19 pandemic has resulted in more households becoming food insecure. The additional allocation will assist in addressing the backlog and high demand for food parcels in the province.

Funds are also reprioritised from slow spending items affected by lockdown restrictions to augment planned departmental activities in the third and fourth quarter of the financial year.

The non-profit institutions budget is revised upward to augment the Food Banks operations and to maintain the number of Community Nutrition Development Centres funded in the previous financial year to deal with the pressure of unemployment and the July unrest. Funds are also allocated to strengthen women development and capacity building programmes and to continue with the implementation of comprehensive youth development programmes.

The programme receives an amount of R233 000 to offset expenditure incurred on the procurement of assets as the budget is centralised in Programme 1: Administration as a control measure.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 6.12: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22: SOCIAL DEVELOPMENT

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--------------------------------------|--------------------------------|----------------------|---------------------|---|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 731 844 | 317 298 | 681 065 | 93% | 742 701 | 347 816 | 10% |
| 2. Social Welfare Services | 945 239 | 425 554 | 931 593 | 99% | 1 004 532 | 497 104 | 17% |
| 3. Children and Families | 2 597 456 | 1 017 042 | 2 278 267 | 88% | 2 738 596 | 1 263 735 | 24% |
| 4. Restorative Services | 719 581 | 310 076 | 728 341 | 101% | 794 644 | 392 743 | 27% |
| 5. Development And Research | 893 229 | 447 240 | 830 025 | 93% | 868 084 | 370 598 | (17)% |
| Total for programmes | 5 887 349 | 2 517 210 | 5 449 291 | 93% | 6 148 557 | 2 871 996 | 14% |
| Current payments | 3 213 209 | 1 410 789 | 2 903 308 | 90% | 3 318 501 | 1 480 006 | 5% |
| Compensation of employees | 1 863 866 | 870 671 | 1 769 894 | 95% | 2 071 104 | 963 471 | 11% |
| Goods and Services | 1 349 343 | 540 118 | 1 133 414 | 84% | 1 247 397 | 516 535 | (4)% |
| Transfers and subsidies | 2 579 235 | 1 083 461 | 2 442 683 | 95% | 2 713 611 | 1 342 551 | 180% |
| Departmental agencies and accounts | 94 | 64 | 64 | 68% | 3 144 | 64 | 0% |
| Higher education institutions | | | | | | | |
| Non-profit institutions | 2 571 152 | 1 080 278 | 2 433 038 | 95% | 2 700 639 | 1 334 495 | 24% |
| Households | 7 989 | 3 119 | 9 581 | 120% | 9 828 | 7 992 | 156% |
| Payments for capital assets | 94 905 | 22 960 | 103 162 | 109% | 116 317 | 22 960 | 0% |
| Buildings and other fixed structures | 74 645 | 18 899 | 54 700 | 73% | 94 281 | 18 899 | 0% |
| Machinery and equipment | 20 102 | 4 061 | 48 345 | 240% | 21 536 | 4 061 | 0% |
| Software and other intangible assets | 158 | | 117 | | 500 | | |
| Payments for financial assets | | | 138 | | 128 | 129 | |
| Total economic classification | 5 887 349 | 2 517 210 | 5 449 291 | 93% | 6 148 557 | 2 845 646 | 13% |

Expenditure trends for 2020/21

The department spent 93 per cent of the allocated budget in the 2020/21 financial year and the following are reasons for the under expenditure per programme:

Programme 1: Administration

The programme underspent the allocated budget due to delays experienced in the filling of vacant posts. In addition, funds allocated for investigations, the appointment of probity auditors, training, legal services, and g-Fleet services were not spent in full by the end of the financial year.

Programme 2: Social Welfare Services

The underspending in this programme was affected by unspent funds on ART food parcels and the allocated budget for HIV social behaviour change not having been spent in full at the end of the financial year. The budget for the upgrading and rehabilitation of Institutions was also not spent in full.

Programme 3: Children and Families

The programme underspending was affected by an additional budget received in the third quarter for the Presidential ECD Employment Stimulus Relief Fund that was not spent, as the verification process for qualifying non-profit-organisations was only finalised late in the financial year. The school uniform budget was also not fully spent due to delays in the manufacturing process, as such, not all school uniform was delivered by end of the of the financial year. An underspending on infrastructure budget was also recorded following disputes between the contractors and implementing agents based on submitted compensation events (variation orders).

Programme 4: Restorative Services

The underspending in this programme is due to delays in the implementation of substance abuse-related mobile services because of lockdown restrictions. The department contracted with NPOs from the third quarter onwards, after the easing of lockdown restrictions.

Programme 5: Development and Research

The allocations for food relief, dignity packs, and research contributed to the under-expenditure in this programme. Some of the service providers appointed for distribution of food parcels to households submitted invoices after the cut-off date for the payment run in the province at the end of the financial year. The expenditure for the programme was also affected by underspending of the allocated budget for non-profit-institutions.

Preliminary expenditure trends for the first half of 2021/22

The department spent R2.8 billion in the second quarter of the 2021/22 financial year as compared to R2.5 billion in the second quarter of the 2020/21 financial year. The growth in expenditure is attributed to payment of non-pensionable cash allowance based on a sliding scale for public service employees on salary levels 1 to 12, which was backdated from 1 April 2021 and paid in September 2021.

Furthermore, additional posts were filled by the end of the second quarter as compared to the 2020/21 financial year. There was also improvement on spending pattern on other categories of expenditure including non-profit-institutions, machinery and equipment and buildings and other fixed structures. The department also processed several leave gratuity payments for officials that retired or resigned from the department in the first two quarters of the 2021/22 financial year.

Programme 1: Administration

The programme spent R348 million in the second quarter of the financial year compared to R317 million in the same period of the previous financial year. Expenditure on fleet services, operating leases and outsourced services in this programme increased as compared to the previous financial year. The relatively high expenditure in this programme is also due to a marked increase on leave gratuity payments as the number of employees that retired or resigned increased in the current financial year.

Programme 2: Social Welfare Services

The programme percentage spent increased by 17 percent in the 2021/22 financial year. The increase is due to the filling of vacant posts and payment of non-pensionable cash allowance for officials on salary levels 1-12. The programme also incurred expenditure on food parcels for ART clinics by the end of second quarter as compared to zero expenditure at the same period in the previous financial year. Spending on the maintenance and refurbishment of two facilities, namely the Itireleng Centre for the Disabled and Zanele Mbeki Frail Care Centre increased substantially in the current financial year compared to the same period of the previous financial year.

Programme 3: Children and Families

The expenditure in this programme increases by one percent in the second quarter of the current financial year as compared to the same period in the previous financial year. This increase is due to appointment of additional personnel and payment of non-pensionable cash allowance for officials on salary levels 1-12. The payment of Presidential ECD Employment Stimulus Relief Fund also increased expenditure in this programme. There is a noticeable increase on infrastructure spending by the end of 2021/22 second quarter compared to the previous financial year. The number of assets procured for the Regions and Institutions also contributed to high expenditure in this programme.

Programme 4: Restorative Services

The programme spent R393 million in the second quarter of the financial year compared to R310 million during the same period in the previous financial year. The payment of Kick-it Substance Abuse documentary and the increased cost for Mogale City Secure Care Centre contributed to the increased expenditure in this programme. The expenditure within the Substance Abuse and Victim Empowerment sub-programmes also increased due to accruals from previous financial year and implementation of GBV programmes.

Programme 5: Development and Research

The expenditure in this programme decreased by 17 percent in the second quarter of the current financial year in comparison with the previous financial year. The decrease in expenditure is mainly attributable to the reduced number of food parcels procured by the end of the second quarter compared to the same period in the previous financial year.

6. Departmental Receipts

TABLE 6.13: DEPARTMENTAL RECEIPTS

| Department | 2020/21 Audited Outcome | | | | 2021/22 Preliminary Receipts | | |
|---|----------------------------|----------------------|---------------------|--|---------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Sales of goods and services other than capital assets | 3 118 | 1 544 | 3 112 | (0.2)% | 3 289 | 1 632 | 5.7% |
| Transfers received | | | | | | | |
| Fines, penalties and forfeits | | 1 | 1 | 0.0% | | | (100.0)% |
| Interest, dividends and rent on land | 31 | 7 | 32 | 3.2% | 33 | 1 | (85.7)% |
| Sales of capital assets | | | | | | | |
| Financial transactions in assets and liabilities | 650 | 776 | 1 610 | 147.7% | 4 591 | 3 324 | 328.4% |
| Total receipts | 3 799 | 2 328 | 4 755 | 25.2% | 7 913 | 4 957 | 112.9% |

Revenue trends for the first half of the 2021/22 financial year

The revenue estimates have increased from R3.8 million in the previous financial year to R7.9 million in the current financial year. The reason for the significant increase in the revenue estimates is due to recoveries of unspent funds from the NPOs in the current financial year.

The amount of revenue collected as at the end of September 2021 is R4.9 million, which represents a significant increase of 112.9 percent when compared with the amount collected in the same period in the 2020/21 financial year.

The amount collected for the sales of goods and services is R1.6 million, which includes garnishee orders, parking fees from employees and boarding fees from officials who occupy official residence at the departmental institutions. Financial transactions in assets and liabilities contributed an amount of R3.3 million to the revenue collected as at the end of September 2021, and this is due to recoveries of unspent funds from non-profit organisations.

7. Changes to transfers and subsidies, conditional grants and infrastructure

Changes in transfers and subsidies

TABLE 6.14: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Administration | 4 622 | | | 5 016 | | | 5 016 | 9 638 |
| Departmental agencies and accounts | 70 | | | 3 074 | | | 3 074 | 3 144 |
| Households | 4 552 | | | 1 942 | | | 1 942 | 6 494 |
| Social Welfare Services | 852 712 | | 3 225 | 11 174 | | | 14 399 | 867 111 |
| Non-profit institutions | 851 882 | | 3 225 | 11 000 | | | 14 225 | 866 107 |
| Households | 830 | | | 174 | | | 174 | 1 004 |
| Children And Families | 1 005 720 | | 80 494 | (18 599) | 25 623 | | 87 518 | 1 093 238 |
| Non-profit institutions | 1 004 579 | | 80 494 | (19 306) | 25 623 | | 86 811 | 1 091 390 |
| Households | 1 141 | | | 707 | | | 707 | 1 848 |
| Restorative Services | 471 244 | | 8 862 | 10 963 | | | 19 825 | 491 069 |
| Non-profit institutions | 471 069 | | 8 862 | 10 956 | | | 19 818 | 490 887 |
| Households | 175 | | | 7 | | | 7 | 182 |
| Development And Research | 234 036 | | | 18 519 | | | 18 519 | 252 555 |
| Non-profit institutions | 233 736 | | | 18 519 | | | 18 519 | 252 255 |
| Households | 300 | | | | | | | 300 |
| Total changes in transfers and subsidies payments | 2 568 334 | | 92 581 | 27 073 | 25 623 | | 145 277 | 2 713 611 |

Roll-overs: R92.6 million

An amount of R92.6 million is rolled over from the previous financial year to fund commitments on HIV Social behavioural change, Presidential ECD Employment Stimulus Relief Fund, Child and Youth Care Centre and Substance Abuse programmes.

Virements and shifts

Programme 1: Administration

An amount of R3 million is shifted to departmental agencies and account to cover payment of a claim from Government Employee Pension Fund (GEPF) for additional liability paid when a member of the GEPF retires or is discharged from the Public Service prior to normal retirement age. The funds shift will also be used to pay rates and taxes for the Protea Glen Social Integrated Facility.

Transfers to households is increased by R1.9 million to cover the shortfall on leave gratuity payment to officials who retires or resigns from the public sector. Several leave gratuity payments were processed in the first two quarters of the financial year.

Programme 2: Social Welfare Services

A total amount of R11 million is shifted to non-profit institutions to cover the anticipated shortfall and deal with the pressure of accruals from previous financial year for Persons with Disabilities, Older Persons and HIV Social Behavioural Change programmes.

An amount of R174 000 is reprioritised to cover payment of leave gratuity for officials who retires or resigns from the Public Sector within the programme.

Programme 3: Children and Families

The budget for non-profit institutions is reduced by R19 million due to the unspent salaries of Child and Youth Care Workers for the first two quarters of the financial year. The training of Child and Youth Care Workers was only completed in the second quarter and therefore salaries will be paid from the third quarter.

An amount of R707 000 is reprioritised to cover payment of leave gratuity for officials who retires or resigns from the Public Sector within the programme.

Programme 4: Restorative Services

Funds are reprioritised to cover the anticipated shortfall and to deal with the pressure of accruals for Substance Abuse programmes. The VEP budget is also augmented for the provision of victim friendly rooms at police stations and cluster supervision.

Programme 5: Development and Research

The allocation for non-profit institutions increases by R18.5 million to supplement the Food Banks operations and to maintain the number of Community Nutrition Development Centres funded in the previous financial year to deal with the pressure of unemployment and the July unrest. Funds are also reprioritised to strengthen women development and capacity building programmes and to continue with the implementation of comprehensive youth development programmes.

Additional Funding: National: R25.6 million

An additional amount of R25.6 million is allocated to the subsidy component of the ECD Grant. The additional funds will be used to support the registered unfunded ECD services which have not benefitted from any departmental funding.

Changes in Conditional Grants**TABLE 6.15: SUMMARY OF CHANGES TO CONDITIONAL GRANTS**

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Social Welfare Services | 18 536 | | | | | | | 18 536 |
| Social Sector EPWP Incentive Grant | 18 536 | | | | | | | 18 536 |
| Children And Families | 152 107 | | 77 763 | | 25 623 | | 103 386 | 255 493 |
| ECD Conditional Grant | 152 107 | | 77 763 | | 25 623 | | 103 386 | 255 493 |
| Total changes in conditional grants | 170 643 | | 77 763 | | 25 623 | | 103 386 | 274 029 |

A total amount of R77.7 million is rolled over from the previous financial year for the employment risk support for ECD practitioners, social workers and support staff employed at ECD centres as part of Presidential Youth Employment Intervention to save and protect jobs in the ECD sector.

Furthermore, the subsidy component of the ECD Grant is allocated an additional R25.6 million. The additional allocation will be used to support the registered unfunded ECD services which have not benefitted from any departmental funding. The areas that will be covered includes unemployment risk support of related workers and a top-up to already existing ECD workers to take on compliance support duties.

Changes in Infrastructure

Refer to 2021 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 7**DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

| R thousand | 2021/22 | | | |
|------------------------------|--|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 581 696 | 592 072 | | 10 376 |
| of which: | | | | |
| Current payments | 544 182 | 553 250 | | 9 068 |
| Transfers and subsidies | 26 003 | 27 311 | | 1 308 |
| Payments for capital assets | 11 511 | 11 511 | | |
| Payment for financial assets | | | | |
| Executive authority | MEC for Cooperative Governance and Traditional Affairs | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission**Vision**

Sustainable, Smart, Inclusive Cities and Communities in the Gauteng City Region.

Mission

To drive an effective system of cooperative governance to build sustainable municipalities, inclusive communities and the institution of Traditional Leadership in the Gauteng City Region.

2. Changes to Programme Purpose, Objective and Measures

No changes

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 7.1: DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

| R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 150 092 | | 3 500 | 3 200 | | | 6 700 | 156 792 |
| 2. Local Governance | 288 618 | | 3 876 | | | | 3 876 | 292 494 |
| 3. Development and Planning | 125 556 | | 3 000 | (700) | | | 2 300 | 127 856 |
| 4. Traditional Institutional Development | 17 430 | | | (2 500) | | | (2 500) | 14 930 |
| Total for Programmes | 581 696 | | 10 376 | | | | 10 376 | 592 072 |

| Economic classification R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 544 182 | | 10 376 | (1 308) | | | 9 068 | 553 250 |
| Compensation of employees | 360 649 | | | | | | | 360 649 |
| Salaries & wages | 309 795 | | | | | | | 309 795 |
| Social contribution | 50 854 | | | | | | | 50 854 |
| Goods and services | 183 533 | | 10 376 | (1 308) | | | 9 068 | 192 601 |
| Transfers and subsidies | 26 003 | | | 1 308 | | | 1 308 | 27 311 |
| Provinces and municipalities | 25 037 | | | | | | | 25 037 |
| Households | 966 | | | 1 308 | | | 1 308 | 2 274 |
| Payments for capital assets | 11 511 | | | | | | | 11 511 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 11 511 | | | | | | | 11 511 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 581 696 | | 10 376 | | | | 10 376 | 592 072 |

The Department's budget is adjusted upwards during the adjustment budget of 2021/22 financial year to R592.1 million, by an amount of R10.4 million due to rollover received for the settlement of projects that started during the previous financial year. These include projects such as the deployment of administrators at Emfuleni Local Municipality, probity auditors for open tender processes and the provision for the Gauteng Spatial Development Framework review, Gauteng City region planning house, Emfuleni Capital Expenditure Framework and support to municipalities IDPs including the municipal digitalization of valuation roll project.

The department reprioritised funds from slow spending items towards the areas with budget pressures for the provision of Gauteng Integrated Provincial Disaster Management Centre (IPDMC); data communication as most of the employees are working remotely; the digitalization of valuation roll project; and provision for administrators for the disastrous municipalities.

The household's budget is increased by R1.3 million to cover leave gratuity payments to officials who have left public sector.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 7.2: PROGRAMME 1: ADMINISTRATION

| R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office of the MEC | 4 235 | | | | | | | 4 235 |
| 2. Corporate Services | 145 857 | | 3 500 | 3 200 | | | 6 700 | 152 557 |
| Total for Programmes | 150 092 | | 3 500 | 3 200 | | | 6 700 | 156 792 |

| Economic classification | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R Thousand | | | | | | | | |
| Current payments | 142 960 | | 3 500 | 1 892 | | | 5 392 | 148 352 |
| Compensation of employees | 92 445 | | | | | | | 92 445 |
| Salaries & wages | 81 565 | | | | | | | 81 565 |
| Social contribution | 10 880 | | | | | | | 10 880 |
| Goods and services | 50 515 | | 3 500 | 1 892 | | | 5 392 | 55 907 |
| Transfers and subsidies | 966 | | | 1 308 | | | 1 308 | 2 274 |
| Provinces and municipalities | | | | | | | | |
| Households | 966 | | | 1 308 | | | 1 308 | 2 274 |
| Payments for capital assets | 6 166 | | | | | | | 6 166 |
| Machinery and equipment | 6 166 | | | | | | | 6 166 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 150 092 | | 3 500 | 3 200 | | | 6 700 | 156 792 |

TABLE 7.3: DETAILS OF SHIFTS AND VIREMENT PER ECONOMIC CLASSIFICATION: PROGRAMME1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|---|---|----------------|---|--------------|
| Current payments | | (3 099) | | 4 991 |
| Compensation of employees | | | | |
| Goods and services | Low intake of bursaries; deferred training and saving on software licenses; utility bills; printing of publication services; rental for events material due to restrictions and minimal use of consultants. | (3 099) | Provision for awareness material for risk management campaign; mentoring and coaching orientation programmes; health awareness programme and qualification verification; storage facilities; procurement of PPE for staff; printing cartridges; travel claims; communication for IGR hybrid meetings; leave gratuity and high data and communication costs due to remote working. | 4 991 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 1 308 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | Leave gratuity payments to officials who have left the public sector. | 1 308 |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (3 099) | | 6 299 |

Provincial roll-over: R3.5 million

An amount of R3.5 million is allocated to cover the projected overspending on the payment of probity auditors for open tender processes.

Virements and shifts

The programme receives R3.2 million through a virement to supplement data and airtime due to remote working arrangements because of the COVID-19 restrictions. An amount of R1.9 million is reprioritised within goods and services from property payments, training and rental and hiring to cover the budget shortfalls on items such as: consultants, and contractors in respect storage facility for the department.

The household budget increased by R1.3 million for the payment of leave gratuity to officials that exit the public sector.

Programme 2: Local Governance

TABLE 7.4: PROGRAMME 2: LOCAL GOVERNANCE

| R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Municipal Administration | 15 793 | | | (700) | | | (700) | 15 093 |
| 2. Municipal Finance | 22 252 | | | | | | | 22 252 |
| 3. Public Participation | 213 287 | | | (2 006) | | | (2 006) | 211 281 |
| 4. Capacity Development | 21 284 | | 3 200 | 1 800 | | | 5 000 | 26 284 |
| 5. Municipal Performance Monitoring, Reporting And Evaluation | 16 002 | | 676 | 906 | | | 1 582 | 17 584 |
| Total for Programmes | 288 618 | | 3 876 | | | | 3 876 | 292 494 |

| Economic classification | R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|----------------|--------------------------------|---|------------|----------------------|------------------------------|-------------------|------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | | |
| Current payments | 283 618 | | 3 876 | | | | 3 876 | 287 494 |
| Compensation of employees | 200 966 | | | | | | | 200 966 |
| Salaries & wages | 169 022 | | | | | | | 169 022 |
| Social contribution | 31 944 | | | | | | | 31 944 |
| Goods and services | 82 652 | | 3 876 | | | | 3 876 | 86 528 |
| Transfers and subsidies | 5 000 | | | | | | | 5 000 |
| Provinces and municipalities | 5 000 | | | | | | | 5 000 |
| Households | | | | | | | | |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 288 618 | | 3 876 | | | | 3 876 | 292 494 |

TABLE 7.5: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASIFICATION: PROGRAMME 2: LOCAL GOVERNANCE

| Economic classification | Motivation | From | Motivation | To |
|---|--|---------|---|-------|
| Current payments | | (6 120) | | 6 120 |
| Compensation of employees | | | | |
| Goods and services | Reduced use of consultants; deferred training and awareness events; fewer travel claims, and meetings held virtually due to restrictions and saving on printing consumables due to remote working. | (6 120) | Funds are made available for catering; data usage and uniforms for GBVF related awareness campaigns; procurement of PPE for CDW's; design and printing services for civic awareness; citizen engagement and social cohesions campaigns and for payment of administrators at Emfuleni LM and the digitalisation of the valuation roll. | 6 120 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |

| Economic classification | Motivation | From | Motivation | To |
|---|------------|---------|------------|-------|
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (6 120) | | 6 120 |

Provincial rollover: R3.9 million

A total amount of R3.9 million is rolled over of which R3.2 million is for the settlement of payments for the administrators at Emfuleni Local Municipality and R676 000 for the implementation of digital valuation roll in municipalities.

Virements and shifts

The program receives a virement of R700 000 from programme 3: Development and Planning for the digital valuation roll in municipalities as announced by the MEC during the budget speech. An amount of R5.4 million is shifted within programme 2: Local Governance in goods and services from advertising as a non-core item due to the conclusion of the local government elections to printing item which is overspending as a result of the election campaigns. The Department also shifted funds within goods and services from items such as consultants to cover overspending items. Shifting has also been effected from Public Participation in goods and services to Capacity Development in goods and services to off-set over expenditure on consultants for the settlement of transactions of administrators that are currently deployed at Emfuleni Local Municipality.

Programme 3: Development Planning

TABLE 7.6: PROGRAMME 3: DEVELOPMENT PLANNING

| R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Idp Coordination | 18 615 | | 3 000 | (849) | | | 2 151 | 20 766 |
| 2. Disaster Management | 66 088 | | | (700) | | | (700) | 65 388 |
| 3. Municipal Infrastructure | 30 159 | | | | | | | 30 159 |
| 4. Land Use Management | 10 694 | | | 849 | | | 849 | 11 543 |
| Total for Programmes | 125 556 | | 3 000 | (700) | | | 2 300 | 127 856 |

| Economic classification | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R Thousand | | | | | | | | |
| Current payments | 100 174 | | 3 000 | (700) | | | 2 300 | 102 474 |
| Compensation of employees | 54 856 | | | | | | | 54 856 |
| Salaries & wages | 48 105 | | | | | | | 48 105 |
| Social contribution | 6 751 | | | | | | | 6 751 |
| Goods and services | 45 318 | | 3 000 | (700) | | | 2 300 | 47 618 |
| Transfers and subsidies | 20 037 | | | | | | | 20 037 |
| Provinces and municipalities | 20 037 | | | | | | | 20 037 |
| Households | | | | | | | | |
| Payments for capital assets | 5 345 | | | | | | | 5 345 |
| Buildings and other fixed structures | | | | | | | | |

| Economic classification | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R Thousand | | | | | | | | |
| Machinery and equipment | 5 345 | | | | | | | 5 345 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 125 556 | | 3 000 | (700) | | | 2 300 | 127 856 |

TABLE 7.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: DEVELOPMENT PLANNING

| PROGRAMME | | | | |
|---|---|-----------------|--|---------------|
| Economic classification | Motivation | From | Motivation | To |
| Current payments | | (11 790) | | 11 090 |
| Compensation of employees | Realignment of the budget with expenditure and the structure. | (1 600) | Realignment of the budget with expenditure and structure. | 1 600 |
| Goods and services | Deferred training; saving on software licences and consumables due to remote working; minimal maintenance at the PDMC; saving on printing of booklets and minimal use of consultants. | (10 190) | Provision for the Gauteng Spatial Development Framework review; expenditure incurred on printing cartridges; PPE; project management for the Integrated Gauteng Provincial Disaster Management Centre (IPDMC); data usage; macro disaster risk assessment profiling and mapping for the PDMC; travel claims; design and printing of publications for the PDMC; PDMC's strategic sessions; public comments on the draft district development and the land use audit for the West Rand District. | 9 490 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (11 790) | | 11 090 |

Roll overs: R3 million

An amount of R3 million is rolled over for the provision of the Gauteng Spatial Development Framework review, GCR planning house, Emfuleni Capital Expenditure Framework and support to identified municipalities on IDPs.

Virements and shifts

The programme budget decreases by R700 00 through a virement to program 2: Local Governance for the implementation of digital valuation roll in municipalities. The programme reprioritised R9.5 million for the provision of Gauteng Integrated Provincial Disaster Management Centre (IPDMC), macro disaster risk assessment profiling, mapping for the IPDMC and the land use audit for the West Rand District Municipality and to make provision for budget shortfalls and pressures within goods and services.

Programme 4: Traditional Institutional Management

TABLE 7.8: PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

| R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Traditional Institutional Administration | 8 914 | | | (1 800) | | | (1 800) | 7 114 |
| 2. Traditional Resource Administration | 6 568 | | | | | | | 6 568 |
| 3. Rural Development Facilitation | 500 | | | (450) | | | (450) | 50 |
| 4. Traditional Land Administration | 1 448 | | | (250) | | | (250) | 1 198 |
| Total for Programmes | 17 430 | | | (2 500) | | | (2 500) | 14 930 |

| Economic classification R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 17 430 | | | (2 500) | | | (2 500) | 14 930 |
| Compensation of employees | 12 382 | | | | | | | 12 382 |
| Salaries & wages | 11 103 | | | | | | | 11 103 |
| Social contribution | 1 279 | | | | | | | 1 279 |
| Goods and services | 5 048 | | | (2 500) | | | (2 500) | 2 548 |
| Transfers and subsidies | | | | | | | | |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 17 430 | | | (2 500) | | | (2 500) | 14 930 |

TABLE 7.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

| Economic classification | Motivation | From | Motivation | To |
|---|--|---------|--|-----|
| Current payments | | | | |
| Compensation of employees | | | | |
| Goods and services | Reduced use of consultants; and a saving on cartridges, stationery and venues due to remote working. | (2 731) | To cater for expenditure incurred during the Amendebele Ndzundza Kwasimkhulu commemoration; winter initiation season and the Gauteng municipal integrity campaign. | 231 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | | | |

Virements and shifts

Through a virement, the programme reprioritised R2.5 million to programme 1: Administration to cover pressures experienced in communication for data and airtime due to the high number of officials working remotely as a result of the COVID-19 restrictions and the Community Development Project. Funds are also shifted within goods and services to cater for expenditure incurred during the Amandebele Ndzundza Kwasimkhulu winter initiation season and the Gauteng Municipal Integrity Campaign.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 7.10: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22: COOPERATE GOVERNANCE AND TRADITIONAL AFFAIRS

| Department | 2020/21 | | | | 2021/22 | | |
|--|------------------------|----------------------|---------------------|---|-------------------------|----------------------|---------------------------------|
| | Expenditure Outcome | | | | Preliminary expenditure | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| 1. Administration | 176 982 | 63 667 | 149 364 | 84% | 156 792 | 78 845 | 24% |
| 2. Local Governance | 266 192 | 104 771 | 256 499 | 96% | 292 494 | 149 153 | 42% |
| 3. Development and Planning | 152 017 | 71 361 | 141 275 | 93% | 127 856 | 69 332 | (3)% |
| 4. Traditional Institutional Development | 16 781 | 5 814 | 13 285 | 79% | 14 930 | 6 612 | 14% |
| Total | 611 972 | 245 613 | 560 423 | 92% | 592 072 | 303 942 | 24% |
| Current payments | 565 358 | 221 505 | 523 864 | 93% | 553 250 | 283 083 | 28% |
| Compensation of employees | 352 071 | 164 737 | 339 671 | 96% | 360 649 | 172 354 | 5% |
| Goods and Services | 213 287 | 56 768 | 184 193 | 86% | 192 601 | 110 729 | 95% |
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 28 800 | 22 881 | 34 567 | 120% | 27 311 | 19 736 | (14)% |
| Provinces and municipalities | 26 300 | 22 000 | 30 300 | 115% | 25 037 | 18 509 | (16)% |
| Households | 2 500 | 881 | 4 267 | 171% | 2 274 | 1 227 | 39% |
| Payments for capital assets | 17 814 | 1 227 | 1 992 | 11% | 11 511 | 1 123 | (8)% |
| Machinery and equipment | 17 814 | 1 227 | 1 992 | 11% | 11 511 | 1 123 | (8)% |
| Software and other intangible assets | | | | | | | |
| Payments for financial assets | | | | | | | #DIV/0! |
| Total | 611 972 | 245 613 | 560 423 | 92% | 592 072 | 303 942 | 24% |

Expenditure trends 2020/21

The department's total expenditure for 2020/21 financial year amounted to R560.4 million of the adjusted budget of R611.9 million. The underspending of R51.5 million relates to delays in the filling of vacant positions and most projects on goods and services being implemented in the 4th quarter of the financial year whilst others were re-advertised as suitable bidders were not found and implementation postponed into the new year. Other contributing factor includes delays on submission of all supporting documentation to accompany invoices relating to the payment to the Department of Infrastructure Development (DID) for planning phases of Integrated Provincial Management Centre (IPDMC), and transfer payments to the Office of the Premier (OoP) in relation to the investigation into the top 10 municipal contracts due to delays in concluding the agreements. The delay was also experienced in the procurement processes for tools of trade for officials as a result of National lockdown due to the COVID-19 pandemic.

Expenditure trends in the first half of 2021/22

The department spent R303.9 million of the main allocation amounting to R581.6 million. An amount of R18.5 million was transferred to municipalities to provide support for improvement of functional Fire & Rescue Services response capabilities; update and maintain municipal asset registers in compliance with GRAP 17; and support for municipalities for the integrated Expanded Public Works Programme (EPWP) in relation to creation of job opportunities. The expenditure was also driven by the civic awareness campaign and voter education as a result of local government elections that were held on the 1st of November 2021. Included in the expenditure for the first half of the financial year is the planning costs of the establishment

of the Integrated Provincial Disaster Management Centre (IPDMC) and other key projects that were meant to support municipalities in delivering services to the communities as per their mandates.

The following projects and items also contributed to the high expenditure for the first half of 2021-22 i.e. the settlement payment to the Department of Infrastructure Development (DID) for planning phases of Integrated Provincial Management Centre (IPDMC); the design and printing services for civic awareness; citizen engagement and social cohesion campaigns relating to Voters education on the Covid-19 pandemic; payment of e-Government for the Microsoft licenses; multi-disciplinary team of technical experts in Gauteng municipalities; payment for intervention team in Disaster Municipalities, fleet services; and data and airtime communication services due to remote working.

Programme 1: Administration

The programme expenditure increased by 15 million compared to 2021/22. The increase is due to payments for probity audit for open tender process; data and airtime communication services as most employees are working remotely; Microsoft Software licences; fleet services; provision for awareness material for risk management campaign; mentoring and coaching orientation programme; health awareness programmes; qualification verification; storage facilities; procurement of PPE for staff; printing cartridges; hybrid communication IGR meetings; and leave gratuity payments to officials who left public sector.

Programme 2: Local Governance

The programme expenditure increased to R149 million in the 2021/22 financial year compared to R104 million from the previous financial year. The increase is due to the design and printing services for civic awareness and Voter Education campaigns; a citizen engagement and social cohesions campaigns due to COVID-19, transfer of funds to municipalities for GRAP 17, payment of Administrators at Emfuleni Local Municipality, the procurement of PPE for CDW's, advertising of valuation appeal board members, data usage, provision for catering; and uniforms for GBVF related awareness campaigns.

Programme 3: Development and Planning

The programme expenditure in the second quarter of 2021/22 amounts to R69 million due to delay in implementation of project management for the Integrated Gauteng Provincial Disaster Management Centre (IPDMC); macro disaster risk assessment profiling and mapping for the PDMC; and Provision for the Gauteng Spatial Development Framework review.

Programme 4: Traditional Institutional Development

The programme expenditure for 2021/22 amounts to R7 million of the adjusted allocation of R14.9 million for 2021/22. The expenditure relates to the Amandebele Ndzundza Kwasimkhulu commemoration; winter initiation season; the Gauteng Municipal Integrity Campaign; and asset-based community development programme with traditional councils.

6. Departmental Receipts

TABLE 7.11: DEPARTMENTAL RECEIPTS

| Department | 2020/21 Audited Outcome | | | | 2021/22 Preliminary Receipts | | |
|---|----------------------------|----------------------|---------------------|---|---------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 184 | 100 | 216 | 17% | 170 | 102 | 2% |
| Transfers received | | | | 0% | | | 0% |
| Fines, penalties and forfeits | | | | #DIV/0! | | | #DIV/0! |
| Interest, dividends and rent on land | 64 | 43 | 78 | 22% | 66 | 35 | (19)% |
| Sales of capital assets | | | | 0% | | | 0% |
| Financial transactions in assets and liabilities | 79 | 40 | 118 | 49% | 4 172 | 4 088 | 10120% |
| Total | 327 | 183 | 412 | 26% | 4 408 | 4 225 | 2209% |

Revenue trends for the first half of 2021/22

The table above shows the contribution of each revenue source towards the total revenue generated at the end of the second quarter of the 2021/22 financial year. The revenue estimates from the previous year has increased from R327 000 to R4.4 million in the current financial year. This is due to the over collection on the 2021/22 financial year main appropriation. The

over collection emanates from financial transaction in assets and liabilities due to the received amount of R3.9 million from the service provider as a result of incorrect payment made during the previous financial year. The funds were therefore paid over to the Provincial Revenue Fund (PRF). The revenue collection in the current financial year as at September 2021/22 is R4.2 million.

7. Changes to transfers and subsidies, conditional grants and infrastructure

Changes to transfers and subsidies

TABLE 7.12: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

| R Thousand | Special Adjusted Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 1 | 966 | | | 1 308 | | | 1 308 | 2 274 |
| HOUSE HOLDS | 966 | | | 1 308 | | | 1 308 | 2 274 |
| Programme 2 | 5 000 | | | | | | | 5 000 |
| PROVINCES AND MUNICIPALITIES | 5 000 | | | | | | | 5 000 |
| Name of transfer payment 2 | | | | | | | | |
| Programme 3 | 20 037 | | | | | | | 20 037 |
| PROVINCES AND MUNICIPALITIES | 18 000 | | | | | | | 18 000 |
| EPWP | 2 037 | | | | | | | 2 037 |
| Name of transfer payment 3 | | | | | | | | |
| Name of transfer payment 4 | | | | | | | | |
| Total changes in conditional Name of transfer payments | 26 003 | | | 1 308 | | | 1 308 | 27 311 |

Virements and shifts

The department reprioritised an amount of R1.3 million within programme 1: Administration goods and services to fund the spending pressures on households for the leave gratuity payments to officials who have left public sector.

Changes to conditional grants

No changes.

Changes to infrastructure

No changes.

VOTE 8**DEPARTMENT OF HUMAN SETTLEMENTS**

| R thousand | 2021/22 | | | |
|------------------------------|---------------------------|------------------------|-----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 5 912 132 | 5 986 126 | | 73 994 |
| of which: | | | | |
| Current payments | 873 115 | 874 965 | | 1 850 |
| Transfers and subsidies | 4 965 120 | 4 601 224 | (363 896) | |
| Payments for capital assets | 73 897 | 509 937 | | 436 040 |
| Payment for financial assets | | | | |
| Executive authority | MEC for Human Settlements | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission**Vision**

Integrated Sustainable Human Settlements within a Smart Gauteng City Region.

Mission

To lead and direct the delivery of Human Settlements across Gauteng, and the restoration of human dignity through:

- Functional and integrated management and governance of the Department
- The development and implementation of responsive research-based policies, legislation and strategic frameworks that enable the speedy, effective and efficient delivery of human settlements
- Facilitating the development of spatially just, efficient, equitable, sustainable and transformed human settlements
- Implementing an efficient and effective Beneficiary Administration and Title Deeds Programme that provides social justice through security of tenure and assets value for homeowners, and
- Effective, efficient and compliant management of the Department's housing stock / property assets.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 8.1 DEPARTMENT OF HUMAN SETTLEMENTS

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 533 702 | | 12 290 | 3 879 | | | 16 169 | 549 871 |
| 2. Housing, Needs, Research & Planning | 21 619 | | | (1 729) | | | (1 729) | 19 890 |
| 3. Housing Development | 5 148 814 | | 60 278 | (1 700) | | | 58 578 | 5 207 392 |
| 4. Housing Assets Property Management | 207 997 | | 1 426 | (450) | | | 976 | 208 973 |
| Total for Programmes | 5 912 132 | | 73 994 | | | | 73 994 | 5 986 126 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 873 115 | | 12 290 | (10 440) | | | 1 850 | 874 965 |
| Compensation of employees | 468 560 | | | | | | | 468 560 |
| Salaries & wages | 411 690 | | | | | | | 411 690 |
| Social contributions | 56 870 | | | | | | | 56 870 |
| Goods and services | 404 555 | | 12 290 | (10 440) | | | 1 850 | 406 405 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 4 965 120 | | 61 704 | (425 600) | | | (363 896) | 4 601 224 |
| Provinces and municipalities | | | | | | | | |
| Households | 4 965 120 | | 61 704 | (425 600) | | | (363 896) | 4 601 224 |
| Payments for capital assets | 73 897 | | | 436 040 | | | 436 040 | 509 937 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 2 708 | | | 10 000 | | | 10 000 | 12 708 |
| Land and sub-soil assets | 68 120 | | | 426 040 | | | 426 040 | 494 160 |
| Software and other intangible assets | 3 069 | | | | | | | 3 069 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 5 912 132 | | 73 994 | | | | 73 994 | 5 986 126 |

The departments main appropriation for 2021/22 financial year increases from R5.912 billion to an adjusted appropriation of R5.986 billion. The increase is attributed to approved rollovers of R12.3 million from the equitable share allocation for goods and services, the Human Settlements Development Grant (HSDG) rollover of R60.2 million as well as the Title Deeds Restoration Grant (TDRG) rollover amount of R1.4 million. During the adjustment budget process, the Department reviewed and revised budget operations by identifying cost savings while implementing cost containment measures and redirecting resources towards essential services. Funds are reprioritised from low-performing activities to core service delivery and areas experiencing budgetary pressures. The reprioritisation process led to the reprioritisation of unspent funds and savings from goods and services, primarily due to implementation of cost containment measures. Declared savings from goods and services have been reallocated to cover the spending pressures on some items and to fund the departmental priorities and essential operational requirements.

The department reprioritised funds amongst and within the programmes. Through virements, an amount of R3.8 million is reprioritised from programme 2: Housing Needs, Research and planning; Programme 3: Housing Development and programme 4: Housing Assets Property Management from goods and services due to minimal use of consultants; remote working due to covid-19 restrictions and cost containment measures implementation and is redirected to programme 1: Administration to provide for outstanding Auditor General's invoices; increase in data and cell phone cost due to remote working as well as costs related to the payment of the housing tribunal claims.

Through shifting of funds, the following emerging projects and programmes will be funded, MEC's outreach programmes; annual fees and maintenance of the board works solution (An app that enables critical access to board materials) and SITA's Fully Managed Data Centre (FMDC) cloud & debtors' system; leave gratuity claims; increased data and cell phone costs because of remote working; replacement of ICT tools of trade, maintenance of the infrastructure hosting environment and for the launching of projects and handover of houses and Title Deeds.

Furthermore, an amount of R504 million is shifted from transfers and subsidies to capital assets due to the reclassification as per Housing Sector Transitional Guide and to provide for the departmental media visibility and communication strategy.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 8.2: PROGRAMME 1: ADMINISTRATION

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Corporate Services | 533 702 | | 12 290 | 3 879 | | | 16 169 | 549 871 |
| Total for Programmes | 533 702 | | 12 290 | 3 879 | | | 16 169 | 549 871 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 526 037 | | 12 290 | (6 121) | | | 6 169 | 532 206 |
| Compensation of employees | 236 291 | | | | | | | 236 291 |
| Salaries & wages | 206 191 | | | | | | | 206 191 |
| Social contributions | 30 100 | | | | | | | 30 100 |
| Goods and services | 289 746 | | 12 290 | (6 121) | | | 6 169 | 295 915 |
| Transfers and subsidies | 1 888 | | | | | | | 1 888 |
| Provinces and municipalities | | | | | | | | |
| Households | 1 888 | | | | | | | 1 888 |
| Payments for capital assets | 5 777 | | | 10 000 | | | 10 000 | 15 777 |
| Machinery and equipment | 2 708 | | | 10 000 | | | 10 000 | 12 708 |
| Software and other intangible assets | 3 069 | | | | | | | 3 069 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 533 702 | | 12 290 | 3 879 | | | 16 169 | 549 871 |

TABLE 8.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|---|--|----------|--|--------|
| Current payments | | (34 127) | | 28 006 |
| Compensation of employees | | | | |
| Goods and services | Low and non-expenditure are due to remote working and deferred MEC's outreach programmes because of the restrictions | (34 127) | Provision for the departmental media visibility and communication strategy; increased data and cell phone costs; annual fees; and maintenance of the board works solution and SITA's FMDC cloud & debtors system and rental of office building and unitary fees. | 28 006 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | 10 000 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Provision for the replacement of ICT tools of trade and the implementation and maintenance of the infrastructure hosting | 10 000 |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|------------|-----------------|--|---------------|
| Heritage assets | | | environment (VM Ware & Commvault virtual environment). | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (34 127) | | 38 006 |

Roll-overs: R12.3 million

The programme receives an equitable share rollover amount of R12.3 million from the Provincial Treasury. These funds will be utilised for the payment of office buildings rental payable to the PPP Kopanong office accommodation.

Virements and shifts

Through shifts, savings amounting to R34.1 million were realised from goods and services items due to remote working arrangements and deferred MEC's outreach programmes because of Covid-19 restrictions and the funds were reprioritised within the programme to alleviate items that demonstrate spending pressures. An amount of R24.1 million is reprioritised within goods and service to fund the Ntirhisano programmes for the enhancement of the department's media visibility and implementation of the new departmental communication strategy as well as to fund the operational requirements of the department. An amount of R10 million is reallocated to payment for capital assets from goods and services to augment the budgetary shortfall for the replacement of ICT tools of trade and the implementation and maintenance of the infrastructure hosting environment (VM Ware & Comm Vault virtual environment).

Through virements, the programme receives an amount of R3.9 million of which R1.7 million is received from programme 2: Housing Needs, Research and Planning, R1.7 million from programme 3: Housing Development, and R450 000 from programme 4: Housing Assets Property Management. These funds will cater for: payment of Auditor General invoices; Housing Tribunal payments; and the increase in data and voice costs because of remote working.

Programme 2: Housing Needs, Research and Planning

TABLE 8.4: PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 10 949 | | | | | | | 10 949 |
| 2. Policy | 6 228 | | | (1 729) | | | (1 729) | 4 499 |
| 3. Planning | 4 442 | | | | | | | 4 442 |
| Total for Programmes | 21 619 | | | (1 729) | | | (1 729) | 19 890 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 21 619 | | | (1 799) | | | (1 799) | 19 820 |
| Compensation of employees | 15 213 | | | | | | | 15 213 |
| Salaries & wages | 13 338 | | | | | | | 13 338 |
| Social contributions | 1 875 | | | | | | | 1 875 |
| Goods and services | 6 406 | | | (1 799) | | | (1 799) | 4 607 |
| Transfers and subsidies | | | | 70 | | | 70 | 70 |
| Households | | | | 70 | | | 70 | 70 |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 21 619 | | | (1 729) | | | (1 729) | 19 890 |

TABLE 8.5: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

| Economic classification | Motivation | From | Motivation | To |
|-------------------------------|-----------------------------|---------|------------------------|----|
| Current payments | | (1 799) | | |
| Compensation of employees | Reduced use of consultants. | (1 799) | | |
| Goods and services | | | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 70 |
| Provinces and municipalities | | | Leave gratuity claims. | 70 |
| Households | | | | |
| Payments for capital assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (1 799) | | 70 |

Virements and shifts

Savings were realised from goods and services due to the reduced use of consultants and the implementation of cost containment measures. An amount of R70 000 is redirected to transfers and subsidies / households within the programme to make provision for injury on duty claims and leave gratuity payments as part of the exit package of employees when they resign or retire.

Through a virement, the budget for the programme is adjusted downwards by R1.7 million due to goods and services items that demonstrate a trend of underspending because of COVID-19 restrictions and the implementation of cost containment measures. This amount is reallocated to programme 1: Administration to make provision for the payment of Auditor General services.

Programme 3: Housing Development

TABLE 8.6: PROGRAMME 3: HOUSING DEVELOPMENT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 185 582 | | | (1 700) | | | (1 700) | 183 882 |
| 2. Financial Intervention | 262 195 | | | (20 670) | | | (20 670) | 241 525 |
| 3. Incremental Interventions | 4 701 037 | | 60 278 | 20 670 | | | 80 948 | 4 781 985 |
| Total for Programmes | 5 148 814 | | 60 278 | (1 700) | | | 58 578 | 5 207 392 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 185 582 | | | (2 000) | | | (2 000) | 183 582 |
| Compensation of employees | 177 870 | | | | | | | 177 870 |
| Salaries & wages | 157 975 | | | | | | | 157 975 |
| Social contributions | 19 895 | | | | | | | 19 895 |
| Goods and services | 7 712 | | | (2 000) | | | (2 000) | 5 712 |
| Transfers and subsidies | 4 895 112 | | 60 278 | (425 740) | | | (365 462) | 4 529 650 |
| Provinces and municipalities | | | | | | | | |
| Households | 4 895 112 | | 60 278 | (425 740) | | | (365 462) | 4 529 650 |
| Payments for capital assets | 68 120 | | | 426 040 | | | 426 040 | 494 160 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 5 148 814 | | 60 278 | (1 700) | | | 58 578 | 5 207 392 |

TABLE 8.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: HOUSING DEVELOPMENT

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|------------|---------|------------|----|
| Current payments | | (2 000) | | |
| Compensation of employees | | | | |

| Economic classification | Motivation | From | Motivation | To |
|---|--|------------------|---|----------------|
| Goods and services | Non and low expenditure are due to remote working because of COVID-19 lockdown restrictions. | (2 000) | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (523 783) | | 98 043 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | Realignment of the HSDG budget with the approved business plan and reclassification of the budget as per sector guide. | (523 783) | Realignment of the HSDG budget with the approved business plan. | 98 043 |
| Payments for capital assets | | (68 120) | | 494 160 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | Reclassification of the budget as per sector guide. | (68 120) | Reclassification as per housing sector transaction guide. | 494 160 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (593 903) | | 592 203 |

Roll-overs: R60.3 million

The department receives approval from National Treasury for the roll-over amounting to R60.2 million for Human Settlements Development Grant (HSDG) to cater for outstanding invoices and commitments on projects from the previous financial year. The approved roll-over amount is located in the transfers and subsidies budget under programme 3: Housing Development within Incremental Intervention sub-programme.

Virements and shifts

Through shifts an amount of R592 million was reprioritised within the programme's goods and services, transfers and subsidies and land and subsoil assets to make provision for payment of leave gratuity claims for officials who retire or resign from the public sector; to realign the HSDG budget with the approved business plan; and the reclassification of the budget as per the Human Settlements Departments Transition guide.

Through virements, the budget for the programme is adjusted downwards by R1.7 million. These funds are redirected to program 1 Administration to alleviate the budgetary shortfall on the programme. Funds are redirected from slow spending items due to officials working remotely because of the covid-19 restrictions.

Programme 4: Housing Assets and Property Management

TABLE 8.8: PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 39 929 | | | (450) | | | (450) | 39 479 |
| 2. Sales And Transfer Of Housing Properties | 68 120 | | 1 426 | | | | 1 426 | 69 546 |
| 3. Housing Properties Maintenance | 99 948 | | | | | | | 99 948 |
| Total for Programmes | 207 997 | | 1 426 | (450) | | | 976 | 208 973 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R Thousand | | | | | | | | |
| Current payments | 139 877 | | | (520) | | | (520) | 139 357 |
| Compensation of employees | 39 186 | | | | | | | 39 186 |
| Salaries & wages | 34 186 | | | | | | | 34 186 |
| Social contributions | 5 000 | | | | | | | 5 000 |
| Goods and services | 100 691 | | | (520) | | | (520) | 100 171 |
| Transfers and subsidies | 68 120 | | 1 426 | 70 | | | 1 496 | 69 616 |
| Households | 68 120 | | 1 426 | 70 | | | 1 496 | 69 616 |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 207 997 | | 1 426 | (450) | | | 976 | 208 973 |

TABLE 8.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

| Economic classification | Motivation | From | Motivation | To |
|---|---|-------|------------------------|----|
| Current payments | | (520) | | |
| Compensation of employees | | | | |
| Goods and services | Non-expenditure is due to remote working and implementation of cost containment measures. | (520) | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 70 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | Leave gratuity claims. | 70 |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (520) | | 70 |

Roll-overs: R1.4 million

The roll-over amount of R1.4 million from Title Deeds Restoration Grant (TDRG) is received by the department to facilitate the eradication of the title deeds backlog and ensuring that title deeds are issued upon handover of houses to beneficiaries, and to assist the department in fast tracking the distribution of title deeds.

Virements and shifts

Through shifts, a saving of R70 000 was realised from goods and services owing to slow expenditure trends because of remote working. This amount is redirected to transfers and subsidies / households within the program to make provision for payment of leave gratuity claims for officials who retire or resign from the public sector and to offset pension liability payment to

Government Employees Pension Fund (GEPF) respectively. The budget for the programme is adjusted downwards by R450 000 through a virement due to the implementation of cost containment measures, slow expenditure trends / non-expenditure owing to covid-19 restrictions. This amount is redirected to programme 1: Administration to make provision for increased in data and cell phone costs due to officials working remotely.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 7.10 EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22: DEPARTMENT OF HUMAN SETTLEMENTS

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--|--------------------------------|----------------------|---------------------|--|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 590 644 | 182 142 | 546 338 | 92% | 549 871 | 242 352 | 33% |
| 2. Housing Needs, Research and Planning | 20 057 | 6 169 | 13 772 | 69% | 19 890 | 6 491 | 5% |
| 3. Housing Development | 4 678 800 | 1 462 258 | 4 534 131 | 97% | 5 207 392 | 1 485 688 | 2% |
| 4. Housing Assets Management Property Management | 188 406 | 21 687 | 156 935 | 83% | 208 973 | 37 385 | 72% |
| Total | 5 477 907 | 1 672 256 | 5 251 176 | 96% | 5 986 126 | 1 771 916 | 6% |
| Current payments | 861 037 | 298 141 | 795 631 | 92% | 874 965 | 378 682 | 27% |
| Compensation of employees | 472 070 | 221 140 | 436 801 | 93% | 468 560 | 221 514 | 0% |
| Goods and Services | 388 264 | 77 001 | 358 830 | 92% | 406 405 | 157 168 | 104% |
| Interest and rent on land | 703 | | | | | | |
| Transfers and subsidies | 3 785 122 | 1 374 115 | 3 795 603 | 100% | 4 601 224 | 1 353 385 | (2)% |
| Provinces and municipalities | | | | | | | |
| Households | 3 785 122 | 1 374 115 | 3 795 603 | 100% | 4 601 224 | 1 353 385 | (2)% |
| Payments for capital assets | 831 748 | | 656 580 | 79% | 509 937 | 39 849 | |
| Buildings and other fixed structures | | | | | | | |
| Machinery and equipment | 3 316 | | 602 | 18% | 12 708 | 280 | |
| Software and other intangible assets | 4 544 | | | | 3 069 | | |
| Payments for financial assets | | | 3 362 | | | | |
| Total | 5 477 907 | 1 672 256 | 5 251 176 | 96% | 5 986 126 | 1 771 916 | 6% |

Expenditure trend for 2020/21

The total appropriation for the financial year 2020/21 amounted to R5.477 billion. As at the end of the financial year, total expenditure amounted to R5.251 billion. The main driver of expenditure was Programme 3: Housing Development which spent R4.5 billion. In terms of economic classification, Goods and services spent R358.8 million of the total goods and services allocated budget. Compensation of employee's expenditure amounted to R436.8 million whereas Transfers and subsidies spent a total of R3.8 billion of the adjusted budget. The payments for capital assets spent a total of R656.5 million of the allocated budget.

Expenditure trends for the first half of 2021/22

As at the end of September 2021, the department's expenditure amounted to R1.771 billion of the R5.986 billion adjusted appropriation. The slow spending is attributed to the delay in approval of the business plan for the Informal Settlements Upgrade Partnership Grant (ISUPG) and the COVID-19 restrictions that resulted in limited business activities, such as construction and procurement of goods and services. Expenditure is anticipated to improve in the next quarters because various projects have been approved and the department has finalised the appointment of PRT and contractors.

Programme 1: Administration

The expenditure amount of R182 million for the 2020/21 financial year increased by R60 million and or 33 per cent when compared to the expenditure amounting to R242 million for second quarter of the year under review. The improvement on the expenditure trends is attributed to limited covid-19 restrictions than those of the 2020/21 financial year.

Programme 2: Housing Needs, Research and Planning

In the year under review, the expenditure trends for the second quarter shows a slight increase when compared to the second quarter actuals for the 2021/22 financial year. Though there is an improvement on expenditure trends as compared to the previous financial year Q2, the program demonstrates slow spending trend in the second quarter when measured against the adjusted budget of R19.8 million. The slow spending on the programme is due to minimal use of consultants and the implementation of cost containment measures.

Programme 3: Housing Development

As at the end of second quarter of 2021/22 the program's expenditure amounts to R1.485 billion which is an increase when compared to the previous financial year's second quarter actuals of R1.462 billion. The expenditure demonstrates a consistent trend however, the program actuals for the second quarter of 2021/22 financial year is 29 per cent of the R5.207 billion adjusted budget. The slow spending in the 2021/22 financial year is attributed to the delay in the approval of business plan for the Informal Settlements Upgrade Partnership Grant.

Programme 4: Housing Assets and Property Management

The expenditure for the second quarter of the 2021/22 financial year has increased by R15.7 million from the previous year's second quarter expenditure of R21.6 million. The program demonstrates very slow spending trend when measured against the adjusted appropriation. The program's expenditure for the second quarter of the year under review amounts to 18 per cent of the total adjusted appropriation of R208.9 million. The low expenditure is due to the implementation of cost containment measures and non-expenditure owing to remote working because of Covid-19 restrictions.

6. Departmental Receipts

Table 8.11 DEPARTMENTAL RECEIPTS

| Department | 2020/21 Audited Outcome | | | | 2021/22 Preliminary Receipts | | |
|---|----------------------------|----------------------|---------------------|--|---------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 512 | 222 | 442 | (14)% | 300 | 213 | (4)% |
| Transfers received | | | | | | | |
| Fines, penalties and forfeits | | | | | | | |
| Interest, dividends and rent on land | 448 | | | (100)% | 473 | 1 | #DIV/0! |
| Sales of capital assets | | | | | | | |
| Financial transactions in assets and liabilities | 4 812 | 21 | 27 874 | 479% | 200 | 260 | 1138% |
| Total | 5 772 | 243 | 28 316 | 391% | 973 | 474 | 95% |

Revenue trends for the first half of 2021/22

The table above shows the contribution of each revenue source towards the total revenue generated at the end of the second quarter of the 2021/22 financial year. The revenue estimates have decreased from R5.7 million in the previous financial year to R973 000 in the current financial year. Revenue collection in the current financial year as at September 2021 is R474 000. The revenue collection is for parking fees, tender documents, and collection from department's debtors.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 8.12: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 1 | 1 888 | | | | | | | 1 888 |
| HOUSEHOLD | 1 888 | | | | | | | 1 888 |
| Programme 2 | | | | 70 | | | 70 | 70 |
| HOUSEHOLD | | | | 70 | | | 70 | 70 |
| Programme 3 | 4 895 112 | | 60 278 | (425 740) | | | (365 462) | 4 529 650 |
| HOUSEHOLD | 4 895 112 | | 60 278 | (425 740) | | | (365 462) | 4 529 650 |
| Programme 4 | 68 120 | | 1 426 | 70 | | | 1 496 | 69 616 |
| HOUSEHOLD | 68 120 | | 1 426 | 70 | | | 1 496 | 69 616 |
| Total changes in conditional Name of transfer payments | 4 965 120 | | 61 704 | (425 600) | | | (363 896) | 4 601 224 |

An amount of R494 million is reclassified within programme 3: Housing Development from transfers and subsidies to payment for capital assets under land and sub-soil assets as per the housing sector transactional guide, whilst R30 million is reallocated within programme 3 under transfers and subsidies following the late approval of the departmental business plan. An amount of R68 million is reallocated from payment for capital assets to transfers and subsidies as per the housing sector transactional guide. The R140 000 is reclassified within programme 3 and 4: Housing Development and Housing Assets Management Property Management within transfers and subsidies for gratuity payments. Furthermore, an amount of R61.7 million is received as a roll-over by both Programme 3 and 4 to cater for outstanding invoices and commitments on projects from the previous financial year.

Changes to conditional grants

TABLE 8.13: SUMMARY OF CHANGES TO CONDITIONAL GRANTS

| R Thousand | Special Adjusted Appropriation | 2020/21 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 3 | 4 842 712 | | 60 278 | | | | 60 278 | 4 902 990 |
| Human Settlements Development Grand | 3 725 026 | | 60 278 | | | | 60 278 | 3 785 304 |
| Informal Settlements Grand | 1 109 179 | | | | | | | 1 109 179 |
| EPWP | 8 507 | | | | | | | 8 507 |
| Programme 4 | 99 948 | | 1 426 | | | | 1 426 | 101 374 |
| Title Deeds Restoration Grant | | | 1 426 | | | | 1 426 | 1 426 |
| Human Settlements Development Grand | 99 948 | | | | | | | 99 948 |
| Total changes in conditional grants | 4 942 660 | | 61 704 | | | | 61 704 | 5 004 364 |

The department received approval from National Treasury for the roll-overs amounting to R61.7 million for HSDG (R60.2 million) and Title Deeds Restoration Grant (R1.4 million) to cater for outstanding invoices and commitment on projects from the previous financial year.

Changes to infrastructure

Refer to 2021 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 9**DEPARTMENT OF ROADS AND TRANSPORT**

| R thousand | 2021/22 | | | |
|------------------------------|-------------------------|------------------------|-----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 8 680 417 | 8 567 497 | (112 920) | |
| of which: | | | | |
| Current payments | 2 612 265 | 2 206 316 | (405 949) | |
| Transfers and subsidies | 5 365 248 | 5 845 524 | | 480 276 |
| Payments for capital assets | 702 904 | 515 657 | (187 247) | |
| Payment for financial assets | | | | |
| Executive authority | MEC Roads and Transport | | | |
| Accounting officer | Head of the Department | | | |

1. Vision and Mission**Vision**

To develop an integrated, sustainable transport infrastructure that promotes accessible, safe and affordable movement of people, goods and services.

Mission

To provide an environmentally sustainable road infrastructure and integrated transport system and services that are reliable, accessible, safe, and affordable and which promote socio-economic development in Gauteng.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 9.1: ROADS AND TRANSPORT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 423 898 | | | (22 500) | | | (22 500) | 401 398 |
| 2. Transport Infrastructure | 2 460 126 | (207 396) | | (392 600) | | | (599 996) | 1 860 130 |
| 3. Transport Operations | 3 039 809 | | 94 476 | 53 000 | | | 147 476 | 3 187 285 |
| 4. Transport Regulation | 345 768 | | | (3 900) | | | (3 900) | 341 868 |
| 5. Gautrain Rapid Rail Link | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |
| Total for Programmes | 8 680 417 | (207 396) | 94 476 | | | | (112 920) | 8 567 497 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 2 612 265 | (201 376) | | (204 573) | | | (405 949) | 2 206 316 |
| Compensation of employees | 758 892 | | | 18 000 | | | 18 000 | 776 892 |
| Salaries & wages | 640 649 | | | 18 000 | | | 18 000 | 658 649 |
| Social contribution | 118 243 | | | | | | | 118 243 |
| Goods and services | 1 853 373 | (201 376) | | (222 573) | | | (423 949) | 1 429 424 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 5 365 248 | | 94 476 | 385 800 | | | 480 276 | 5 845 524 |
| Provinces and municipalities | 2 200 | | | | | | | 2 200 |
| Departmental agencies and accounts | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |
| Public corporations and private enterprises | 2 941 987 | | 94 476 | | | | 94 476 | 3 036 463 |
| Non-profit institutions | | | | 19 800 | | | 19 800 | 19 800 |
| Households | 10 245 | | | | | | | 10 245 |
| Payments for capital assets | 702 904 | (6 020) | | (181 227) | | | (187 247) | 515 657 |
| Buildings and other fixed structures | 663 275 | | | (166 179) | | | (166 179) | 497 096 |
| Machinery and equipment | 35 805 | (6 020) | | (15 048) | | | (21 068) | 14 737 |
| Software and other intangible assets | 3 824 | | | | | | | 3 824 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 8 680 417 | (207 396) | 94 476 | | | | (112 920) | 8 567 497 |

The current year's budget adjustments are effected to ensure budget alignment to operations as well as to surrender funds that the department will not spend by the end of the financial year due to several challenges particularly in the infrastructure programme. The Department engaged in an extensive exercise of reviewing the budget, expenditure, and performance towards the end of the second quarter, taking into account the lingering effects of COVID -19 pandemic. The result of this review resulted in funds being reprioritised from low-performance activities to both emerging priorities and areas experiencing budgetary pressures, with the aim of ensuring alignment to the business units' mandate and GGT2030 priorities.

The budget is shifted within various items, between projects and programmes as indicated above with the department's budget decreasing from R8.7 billion to R8.6 billion. The major shift was that of R366 million from programme 2 to programme 5 to allow the Gautrain Management Agency (GMA) to cater for patronage guarantee that became due because of the sudden drop in passengers using the Gautrain through the COVID-19. This passenger drop caused the PG to increase to the limit of the Concessionaire's Demand Forecast (CDF).

The decrease in the overall budget of the department however is due to a surrender of funds amounting to R207 million back to the Provincial Revenue Fund (PRF), sourced from the infrastructure portfolio of the department. The department confirms that the amounts would not be spent, mainly due to:

1. Delays and challenges within the procurement processes; and
2. Continues informal encroachments along the road reserve which result in project stoppages.

Rollover: 94.5 million

In a bid to ensure that services for March 2021 are settled before the end of the 2020/21 financial year, the department requested the subsidized bus operators to submit two claims as follows:

1. One for the services operated during 1st to 15th March 2021, which was submitted on 18th March 2021; and
2. Another for services operated for the period 16th to 31st March 2021, which could only be submitted in April 2021 in line with the provisions of the subsidized bus contracts (within 7 days of the end of the month being claimed for). This arrangement was effected in line with the relevant provisions of the PFMA, which prescribes that payments be made for services rendered.

The rollover is to cater for the second batch of invoices from the 2020/21 financial year so that their payment does not negatively impact the allocation for the 2021/22 financial year.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22**Programme 1: Administration****TABLE 9.2: PROGRAMME 1: ADMINISTRATION**

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office of the MEC | 12 845 | | | (700) | | | (700) | 12 145 |
| 2. Management Of The Department | 30 750 | | | 4 233 | | | 4 233 | 34 983 |
| 3. Corporate Support | 376 530 | | | (26 033) | | | (26 033) | 350 497 |
| 4. Departmental Strategy | 3 773 | | | | | | | 3 773 |
| Total for Programmes | 423 898 | | | (22 500) | | | (22 500) | 401 398 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 389 760 | | | (8 500) | | | (8 500) | 381 260 |
| Compensation of employees | 205 794 | | | (5 000) | | | (5 000) | 200 794 |
| Salaries & wages | 179 763 | | | (5 000) | | | (5 000) | 174 763 |
| Social contribution | 26 031 | | | | | | | 26 031 |
| Goods and services | 183 966 | | | (3 500) | | | (3 500) | 180 466 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 612 | | | 500 | | | 500 | 1 112 |
| Provinces and municipalities | | | | | | | | |
| Households | 612 | | | 500 | | | 500 | 1 112 |
| Payments for capital assets | 33 526 | | | (14 500) | | | (14 500) | 19 026 |
| Buildings and other fixed structures | 5 000 | | | | | | | 5 000 |
| Machinery and equipment | 25 702 | | | (14 500) | | | (14 500) | 11 202 |
| Software and other intangible assets | 2 824 | | | | | | | 2 824 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 423 898 | | | (22 500) | | | (22 500) | 401 398 |

TABLE 9.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|------------------------------------|--|----------|--|--------|
| Current payments | | (49 159) | | 40 659 |
| Compensation of employees | The shift from this item is to cover COE budget for Cadets and Military programme | (5 000) | | |
| Goods and services | Funds shifted due revisions in the spending plans to allow the department to cover costs that have resulted since the start of the financial year. | (44 159) | Funds received to cover the anticipated over expenditure in items such as legal costs, additional storage requirements as well as training of staff. | 40 659 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 500 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |

| Economic classification | Motivation | From | Motivation | To |
|---|--|----------|--|--------|
| Higher education institutions Foreign governments and international organisations Public corporations and private enterprises Non-profit institutions Households | | | The virement received to this subprogramme is to cover for the anticipated over expenditure from Programme Support Infrastructure. | 500 |
| Payments for capital assets | | (14 500) | | |
| Buildings and other fixed structures Machinery and equipment Heritage assets Specialised military assets Biological assets Land and sub-soil assets Software and other intangible assets Payments for financial assets | The original allocation for COVID-19 was partly allocated to this item, however the Department resolved to rather focus that budget on the cadets and MV programme in the fight against the pandemic, hence the budget shift from this item. | (14 500) | | |
| Total economic classification | | (63 659) | | 41 159 |

Virements and Shifts

The overall budget for the programme decreases by R22.5 million from R423.9 million to R401.4 which is shifted to Programme 3 for the Cadets and Military Veterans programme.

The overall budget for the programme decreased by R22.5 million, from R423.9 million to R401.4 million due to budget shifts effected from the items that relate to COVID-19. This was done in line with the decision taken to focus on the CADET and Military veteran programme in the fight against the pandemic, which is funded from Programme 3: Transport Operations.

Programme 2: Transport Infrastructure

TABLE 9.4: PROGRAMME 2: TRANSPORT INFRASTRUCTURE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Infrastructure Planning | 126 096 | | | (34 900) | | | (34 900) | 91 196 |
| 2. Infrastructure Design | 109 006 | | | (21 807) | | | (21 807) | 87 199 |
| 3. Construction | 669 737 | | | (147 022) | | | (147 022) | 522 715 |
| 4. Maintenance | 1 492 733 | (207 396) | | (188 371) | | | (395 767) | 1 096 966 |
| 5. Programme Support Infrastructure | 62 554 | | | (500) | | | (500) | 62 054 |
| Total for Programmes | 2 460 126 | (207 396) | | (392 600) | | | (599 996) | 1 860 130 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 1 780 965 | (201 376) | | (223 573) | | | (424 949) | 1 356 016 |
| Compensation of employees | 321 817 | | | (25 000) | | | (25 000) | 296 817 |
| Salaries & wages | 262 660 | | | (25 000) | | | (25 000) | 237 660 |
| Social contribution | 59 157 | | | | | | | 59 157 |
| Goods and services | 1 459 148 | (201 376) | | (198 573) | | | (399 949) | 1 059 199 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 10 908 | | | (500) | | | (500) | 10 408 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R Thousand | | | | | | | | |
| Provinces and municipalities | 2 200 | | | | | | | 2 200 |
| Households | 8 708 | | | (500) | | | (500) | 8 208 |
| Payments for capital assets | 668 253 | (6 020) | | (168 527) | | | (174 547) | 493 706 |
| Buildings and other fixed structures | 658 150 | | | (167 279) | | | (167 279) | 490 871 |
| Machinery and equipment | 10 103 | (6 020) | | (1 248) | | | (7 268) | 2 835 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 2 460 126 | (207 396) | | (392 600) | | | (599 996) | 1 860 130 |

TABLE 9.5: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: TRANSPORT INFRASTRUCTURE

| Economic classification | Motivation | From | Motivation | To |
|---|--|------------------|--|----------------|
| Current payments | | (564 189) | | 340 616 |
| Compensation of employees | Funds shifted from the programme due to savings realised from the delayed finalisation of the organisational structure | (35 000) | The shift to this item is to cover for the anticipated over expenditure from Construction and within the subprogramme. | 10 000 |
| Goods and services | Funds available due to implementation of cost containment measures. Infrastructure budget reallocation as certain projects are delayed due to COVID-19 lockdown. | (529 189) | Funds shifted to programmes which are ready for implementation | 330 616 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (620) | | 120 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | The shift is because of less injury on duty cases anticipated. The funds have been shifted to the programme that is currently experiencing spending pressure within this item. | (620) | Funds shifted to where expenditure is incurred - from the social benefits item to the other transfers to households. | 120 |
| Payments for capital assets | | (283 625) | | 115 098 |
| Buildings and other fixed structures | Funds shifted due to infrastructure budget reallocation as certain projects are delayed due to COVID-19 lockdown. | (282 377) | Realignment of infrastructure projects. Funds shifted to projects which are ready for implementation. | 115 098 |
| Machinery and equipment | Infrastructure budget reallocation as certain projects are delayed due to slow rate of negotiations for land proclamations. | (1 248) | 0 | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (848 434) | | 455 834 |

Function shifts, Surrender and suspension: R207.4 million

A detailed assessment was done on the infrastructure portfolio and highlighted delays in the projects. The Department resolved to surrender the infrastructure budget to ensure that the funds could be allocated to other spending pressures within the province. The details of this surrender are captured in the Adjusted Estimates of Capital Expenditure (AECE) document

Virements and Shifts

The programme budget is reduced by R600 million from R2.5 billion to R1.9 billion due to projects which are delayed from implementation. An amount of R366 million is moved to Programme 5: Gautrain to cover the patronage guarantee shortfall (details below) and the balance of R207 million is surrendered to the Provincial Revenue Fund (PRF).

Shifts were effected within the sub-programmes and projects to ensure that the budget is aligned with the spending plans of the Department. The shifts became necessary due to delays and challenges within the procurement processes and continued informal encroachments along the road reserve which resulted in project stoppages.

Programme 3: Transport Operations

TABLE 9.6: PROGRAMME 3: TRANSPORT OPERATIONS

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Public Transport Services | 3 030 024 | | 94 476 | 5 | | | 94 481 | 3 124 505 |
| 2. Programme Support Operations | 9 785 | | | 52 995 | | | 52 995 | 62 780 |
| Total for Programmes | 3 039 809 | | 94 476 | 53 000 | | | 147 476 | 3 187 285 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 97 677 | | | 53 000 | | | 53 000 | 150 677 |
| Compensation of employees | 27 960 | | | 53 000 | | | 53 000 | 80 960 |
| Salaries & wages | 23 893 | | | 53 000 | | | 53 000 | 76 893 |
| Social contribution | 4 067 | | | | | | | 4 067 |
| Goods and services | 69 717 | | | | | | | 69 717 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 2 942 132 | | 94 476 | | | | 94 476 | 3 036 608 |
| Provinces and municipalities | | | | | | | | |
| Public corporations and private enterprises | 2 941 987 | | 94 476 | | | | 94 476 | 3 036 463 |
| Households | 145 | | | | | | | 145 |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 3 039 809 | | 94 476 | 53 000 | | | 147 476 | 3 187 285 |

TABLE 9.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: TRANSPORT OPERATIONS

| Economic classification | Motivation | From | Motivation | To |
|---|---|------|---|--------|
| Current payments | | | | 53 000 |
| Compensation of employees | | | The virement to this item is to cover the budget shortfall and in support for the CADET and Military veteran programme. | 53 000 |
| Goods and services | | | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (5) | | 5 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | The shift is because of less injury on duty cases anticipated. The funds have been shifted to the programme that is currently | (5) | Funds shifted to where expenditure is incurred. | 5 |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|------|------------|--------|
| | experiencing spending pressure within this item. | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (5) | | 53 005 |

Roll-over: R 94.5 million

The rollover of R94.5 million is to ensure that the second claim is settled using the resources from the 2020/21 financial year in which the expenditure was incurred. The department requested that the budget of the previous year be used to settle these accounts to avoid a negative impact on the allocation for the 2021/22 financial year.

Virements and Shifts

The programme's budget is increased by R53 million, which is a shift from the compensation of employee's budget of the Corporate Services, Infrastructure Planning, Transport Admin and Licensing sub-programmes, to cater for the Cadets and Military Veterans programme that was not adequately provided for.

An amount of R5000 is shifted to ensure that the budget is correctly classified within the household's item.

Roll-over: R 94.5 million

The rollover of R94.5 million is to ensure that the second claim is settled using the resources from the 2020/21 financial year in which the expenditure was incurred. The department requested that the budget of the previous year be used to settle these accounts to avoid a negative impact on the allocation for the 2021/22 financial year.

Programme 4: Transport Regulation

TABLE 9.8: PROGRAMME 4: TRANSPORT REGULATION

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Transport Administration And Licensing | 190 713 | | | (4 210) | | | (4 210) | 186 503 |
| 2. Operator License And Permits | 155 055 | | | 310 | | | 310 | 155 365 |
| Total for Programmes | 345 768 | | | (3 900) | | | (3 900) | 341 868 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 343 863 | | | (25 500) | | | (25 500) | 318 363 |
| Compensation of employees | 203 321 | | | (5 000) | | | (5 000) | 198 321 |
| Salaries & wages | 174 333 | | | (5 000) | | | (5 000) | 169 333 |
| Social contribution | 28 988 | | | | | | | 28 988 |
| Goods and services | 140 542 | | | (20 500) | | | (20 500) | 120 042 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 780 | | | 19 800 | | | 19 800 | 20 580 |
| Provinces and municipalities | | | | | | | | |
| Non-profit institutions | | | | 19 800 | | | 19 800 | 19 800 |
| Households | 780 | | | | | | | 780 |
| Payments for capital assets | 1 125 | | | 1 800 | | | 1 800 | 2 925 |
| Buildings and other fixed structures | 125 | | | 1 100 | | | 1 100 | 1 225 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Machinery and equipment | | | | 700 | | | 700 | 700 |
| Software and other intangible assets | 1 000 | | | | | | | 1 000 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 345 768 | | | (3 900) | | | (3 900) | 341 868 |

TABLE 9.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: TRANSPORT REGULATION

| Economic classification | Motivation | From | Motivation | To |
|---|--|-----------------|--|---------------|
| Current payments | | (26 250) | | 750 |
| Compensation of employees | The delays in the finalisation of the organisational structure resulted in underspending in COE in this programme. | (5 000) | | |
| Goods and services | Reallocation of taxi support allocation to non-profit institutions | (21 250) | The shift to this item is to cover for expenditure costs on communications for DLTC's telephone costs, households and to cater for the physical meetings that are convened for the engagements with the taxi industry (catering and venues and facilities) | 750 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (410) | | 20 210 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | Reallocation of budget to the Taxi Trust in the current financial year | 19 800 |
| Households | Reclassification of the budget within the subprogramme | (410) | Shifting of funds to where the expenditure costs are incurred. | 410 |
| Payments for capital assets | | | | 1 800 |
| Buildings and other fixed structures | | | Realignment of infrastructure projects. Funds shifted to projects which are ready for implementation. | 1 100 |
| Machinery and equipment | | | The shift to this item is to cover for the procurement of new furniture in the transport operating licensing administration boards (TOLABS) | 700 |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (26 660) | | 22 760 |

Virements and Shifts

The programme budget is reduced by R3.9 million from R345 million to R341 million. The savings were identified from the compensation of employee's item because of delays in the implementation of the organisational restructuring review process.

An amount of R19.8 million is reclassified from goods and services to non-profit institutions to ensure that the taxi support allocation can be duly transferred to the Taxi Trust. Furthermore, an amount of R1.1 million is received from Programme 2, Sub-programme construction to fund the shortfall in the DLTC projects' budget.

Programme 5: Gautrain

TABLE 9.10: PROGRAMME 5: GAUTRAIN

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Gautrain Rapid Link | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |
| Total for Programmes | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | | | | | | | | |
| Compensation of employees | | | | | | | | |
| Salaries & wages | | | | | | | | |
| Social contribution | | | | | | | | |
| Goods and services | | | | | | | | |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |
| Departmental agencies and accounts | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |
| Households | | | | | | | | |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |

TABLE 9.11: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: GAUTRAIN

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|------------|------|---|---------|
| Current payments | | | | |
| Compensation of employees | | | | |
| Goods and services | | | | |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 366 000 |
| Provinces and municipalities | | | The virement to this item is to cater for patronage guarantee that became due because of the sudden drop in passengers using the Gautrain through the COVID-19. This passenger drop caused the PG to increase to the limit of the (Concessionaire's Demand Forecast (CDF) | 366 000 |
| Departmental agencies and accounts | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Land and sub-soil assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | | | 366 000 |

Virements and Shifts

An amount of R366 million was transferred from Road's infrastructure programme to Gautrain to cater for patronage guarantee that became due because of the sudden drop in passengers using the Gautrain through the COVID-19. This passenger drop caused the PG to increase to the limit of the (Concessionaire's Demand Forecast (CDF).

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 9.12: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|---------------------|--|-------------------------|----------------------|---------------------------------|
| | Expenditure Outcome | | | | Preliminary expenditure | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| Administration | 327 033 | 142 104 | 314 878 | 96% | 401 398 | 164 974 | 16% |
| Transport Infrastructure | 2 190 519 | 861 998 | 1 790 721 | 82% | 1 860 130 | 809 951 | (6)% |
| Transport Operations | 2 854 953 | 811 189 | 2 083 940 | 73% | 3 187 285 | 1 185 894 | 46% |
| Transport Regulation | 324 733 | 109 172 | 251 765 | 78% | 341 868 | 115 311 | 6% |
| Gautrain Rapid Rail Link | 2 680 758 | 1 102 081 | 2 680 758 | 100% | 2 776 816 | 1 176 474 | 7% |
| Total | 8 377 996 | 3 026 544 | 7 122 062 | 85% | 8 567 497 | 3 452 604 | 14% |
| Current payments | 2 305 554 | 923 604 | 1 880 960 | 82% | 2 206 316 | 1 014 612 | 10% |
| Compensation of employees | 769 687 | 335 045 | 705 571 | 92% | 776 892 | 378 993 | 13% |
| Goods and Services | 1 535 807 | 588 530 | 1 175 360 | 77% | 1 429 424 | 635 619 | 8% |
| Interest and rent on land | 60 | 29 | 29 | 48% | | | (100)% |
| Transfers and subsidies | 5 439 297 | 1 893 784 | 4 721 913 | 87% | 5 845 524 | 2 307 674 | 22% |
| Provinces and municipalities | 2 800 | 783 | 2 076 | 74% | 2 200 | 968 | 24% |
| Departmental agencies and accounts | 2 680 758 | 1 102 081 | 2 680 758 | 100% | 2 776 816 | 1 176 474 | 7% |
| Public corporations & private enterprises | 2 750 895 | 789 223 | 2 011 495 | 73% | 3 036 463 | 1 127 300 | 43% |
| Households | 4 844 | 1 697 | 7 584 | 157% | 10 245 | 2 932 | 73% |
| Payments for capital assets | 633 145 | 209 156 | 519 189 | 82% | 515 657 | 130 318 | (38)% |
| Buildings and other fixed structures | 631 709 | 207 557 | 515 302 | 82% | 497 096 | 126 509 | (39)% |

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--------------------------------------|--------------------------------|----------------------|---------------------|---|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Machinery and equipment | 845 | 1 146 | 3 836 | 454% | 14 737 | 3 797 | 231% |
| Software and other intangible assets | 591 | 453 | 51 | 9% | 3 824 | 12 | (97)% |
| Payments for financial assets | | | | | | | |
| Total | 8 377 996 | 3 026 544 | 7 122 062 | 85% | 8 567 497 | 3 452 604 | 14% |

Expenditure trends for 2020/21

The department spent a total amount of R7.1 billion of the allocated adjusted budget for the 2020/21 financial year. Of the total expenditure for the year, an amount of R705.6 million was spent on compensation of employees for the year.

Spending on goods and services amounted to R1.2 billion of the adjusted budget. The spending is mainly driven by operational expenditure as well as maintenance related infrastructure projects.

The transfers items are made up of the transfer to the Gautrain Management Agency (GMA), the bus subsidies (both the PTOG and the NW Star allocations), and well as payments to staff for items such as injury on duty claims and payment of leave gratuity to former employees. This item was the main driver of the total underspending of the Department due to the bus subsidies, which underspent due to the delays in appointing new bus operators as well as the penalties levied against the operators in line with the contractual obligations.

The underspending within the payments for capital assets item was caused by the underspending in the projects for the Construction and Design units. This was due to the delays in the tendering processes, as well as project administration issues on some of the projects that are being implemented.

The details of the spending per programme were as follows:

Preliminary expenditure trends for the first half of 2021/22

The department has spent R3.5 billion or 40 per cent of the original allocated budget during the first half of the 2021/22 financial year in comparison to the R3 billion that was spent in the same period in 2020/21 financial year, reflecting an increase of 6 per cent. Of the total original allocated budget for six months, compensation of employees accounted for R379 million or 11 per cent of the overall expenditure, whilst goods and services accounted for R635.6 million or 18 per cent of the total expenditure. Goods and services expenditure were largely driven by the maintenance related projects that are allocated within this item, as well as the IT related costs due to the working from home arrangements that are still active.

The transfers and subsidies item spent a total of R2.308 billion for the first half of the year. This was higher than the spending for the same period in 2020/21 because the bus subsidies were lesser than usual in 2020/21 due to the lockdown period and the effect it had on the transport sector.

Spending on capital assets amounted to R130 million, which was even lesser than the spending for the same period in 2020/21 of R209 million. The lower than usual spending was explained above and it prompted the surrender of funds back to the PRF of R207 million.

The details of the spending per programme were as follows:

Programme 1: Administration

This programme is responsible for the administrative functions of the Department. The programme has spent R165 million during the first six months of the financial year. The increase in expenditure is largely on goods and services as a results of IT related expenditure due to the remote working arrangements still active.

Programme 2: Transport Infrastructure

The programme promotes 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. The programme spent R810 million during the first half of the financial year. This is mainly because of the slow delivery of infrastructure projects due to:

1. Delays and challenges within the procurement processes; and
2. Continued informal encroachments along the road reserve which result in project stoppages

This slow spending and the anticipated underspending for the rest of the year informs the surrender of R207 million from this programme to the PRF, and to transfer R366 million to the GMA for the patronage guarantee.

Programme 3: Transport Operations

The programme plans, regulates and facilitates the provision of integrated land transport services. The programme expenditure for the first half of the year increased from R811 million in 2020/21 to R1.186 billion in the 2021/22 financial year. The slow spending within this programme in the previous financial year was due to the lockdown travel restrictions, and the expenditure increase in 2021/22 was because those restrictions have since been eased.

Programme 4: Transport Regulations

The programme provides provision of a safe environment through the regulation of traffic on public infrastructure and registration and licensing of vehicles and drivers. The programme spent R115 million in comparison to the R109 million that was spent in the same period of the 2020/21 financial year. The expenditure increases compared to last year were because of the easing of lockdown restrictions and the opening of the DLTCs and TOLABS.

Programme 5: Gautrain

The programme provides plan, design and construction of the Rapid Rail Link and ensures efficient management and implementation of the Gautrain. The total transfers to Gautrain as at the end of the second quarter amounts to R1.2 billion in comparison to the R1.1 billion which was spent in the same period of the 2020/21 financial year.

6. Departmental Receipts

TABLE 9.13: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|---------------------|--|------------------------|----------------------|---------------------------------|
| | Audited Outcome | | | | Preliminary Receipts | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| Tax receipts | 4 246 566 | 1 465 884 | 4 357 924 | 3% | 4 480 127 | 1 823 097 | 24% |
| Motor vehicle licences | 4 246 566 | 1 465 884 | 4 357 924 | 3% | 4 480 127 | 1 823 097 | 24% |
| Sales of goods and services other than capital assets | 88 611 | 17 967 | 48 402 | (45)% | 93 485 | 29 700 | 65% |
| Interest, dividends and rent on land | 71 | 5 | 8 | (89)% | 75 | 1 | (80)% |
| Sales of capital assets | | | | | | | |
| Financial transactions in assets and liabilities | 1 768 | 97 | 251 | (86)% | 1 865 | 282 | 191% |
| Total | 4 337 016 | 1 483 953 | 4 406 585 | (217)% | 4 575 552 | 1 853 080 | 200% |

Revenue trends for the first half of the 2020/21 financial year

The table above indicates the contribution of each revenue source towards the total revenue generated at the end of second quarter of the 2021/22 financial year. The department improved the revenue collection for the first half of the year when comparing the current (2021/22) and previous financial year (2020/21) for which the revenue increased from R1.484 billion to R1.853 billion. The revenue collection in 2020/21 was negatively impacted by the COVID-19 pandemic lockdown periods that affected the travel patterns and services offered to the public.

The Motor Vehicle License tax receipts item continues to be the biggest revenue collector for the Department and the Province.

The revenue collection of the sales of goods and services other than capital assets item, which includes parking fees from employees, sales of security maps, tender documents, etc. is steadily increasing in comparison with the previous financial year and the department is expected to collect the amount in full.

Interest, dividends and rent on land contributed an amount of R1 000 is earned during the first six months of the financial year in comparison with R5 000 in the same period of the previous financial year due to the lower cash reserves of the department.

Financial transactions in assets and liabilities, which reflects the debt repayments from previous financial years, contributed an amount of R282 000 in the current financial year in comparison with R97 000 in the previous financial year.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 9.14: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 5 | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |
| GMA | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |
| Total changes in conditional Name of transfer payments | 2 410 816 | | | 366 000 | | | 366 000 | 2 776 816 |

Virements and Shifts

The Gautrain system is currently implemented through a Private Public Partnership (PPP) model as regulated by, amongst other legislation and regulation, Treasury Regulations 16 of the PFMA. The PPP agreement is underpinned by the Concession Agreement (CA) which places certain obligations to both the private party and public sector. This CA is a long-term fixed agreement between Province and Bombela that commenced in September 2006 and expires in March 2026.

The Patronage Guarantee that forms part of the CA, became due when the Gautrain experienced a sudden drop in passengers due to the impact of COVID-19. The Department, through the adjustment budget, effected a virement of R366 million from Road's infrastructure programme to Gautrain to cover for patronage guarantee that became due because of the sudden drop in passengers using the Gautrain through the COVID-19. This passenger drop caused the PG to increase to the limit of the (Concessionaire's Demand Forecast (CDF)).

Changes to Conditional grant

TABLE 9.15: SUMMARY OF CHANGES TO CONDITIONAL GRANTS

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 2 | 767 135 | | | | | | | 767 135 |
| Provincial Roads Maintenance Grant | 767 135 | | | | 45 491 | | | 767 135 |
| Grant 2 | | | | | | | | |
| Programme 3 | 2 751 887 | | 94 476 | | | | | 2 846 363 |
| Public Transport Operations | 2 742 249 | | 94 476 | | | | | 2 836 725 |
| EPWP Integrated Grant | 9 638 | | | | | | | 9 638 |
| Total changes in conditional grants | 3 519 022 | | 94 476 | | | | | 3 613 498 |

The Roll-over: R94.5 million

In a bid to ensure that services for March 2021 are settled before the end of the 2020/21 financial year, the Department requested the subsidized bus operators to submit two claims as follows:

1. One for the services operated during 1st to 15th March 2021, which was submitted on 18th March 2021; and
2. Another one for services operated for the period 16th to 31st March 2021, which could only be submitted in April 2021 in line with the provisions of the subsidized bus contracts (within 7 days of the end of the month being claimed for). This arrangement was effected in line with the relevant provisions of the PFMA, which prescribes that payment can only be made for services rendered.

The rollover is to cater for the second batch of invoices from the 2020/21 financial year so that their payment not negatively impact the allocation for the 2021/22 financial year.

Changes to Infrastructure

Please refer to the 2021/22 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 10

DEPARTMENT OF COMMUNITY SAFETY

| R thousand | 2021/22 | | | |
|------------------------------|--------------------------|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 962 280 | 980 953 | | 18 673 |
| of which: | | | | |
| Current payments | 839 512 | 824 981 | (14 531) | |
| Transfers and subsidies | 30 316 | 2 847 | (27 469) | |
| Payments for capital assets | 92 452 | 153 125 | | 60 673 |
| Payment for financial assets | | | | |
| Executive authority | MEC for Community Safety | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission

Vision

To realise Gauteng as a province where people feel and are safe.

Mission

To ensure safety of Gauteng communities through innovative, pro-active and effective oversight over the province's law enforcement agencies, enforcement of road traffic legislation while empowering communities on crime prevention and safety promotion.

2. Changes to Programme Purpose, Objective and Measures.

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

Table 10.1: DEPARTMENT OF COMMUNITY SAFETY

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 169 644 | | | | | | | 169 644 |
| 2. Provincial Secretariat For Police Services | 240 979 | | 10 400 | | | | 10 400 | 251 379 |
| 3. Traffic Management | 551 657 | | | | | 8 273 | 8 273 | 559 930 |
| Total for Programmes | 962 280 | | 10 400 | | | 8 273 | 18 673 | 980 953 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 839 512 | | | (14 531) | | | (14 531) | 824 981 |
| Compensation of employees | 687 516 | | | (22 400) | | | (22 400) | 665 116 |
| Salaries & wages | 561 703 | | | (22 400) | | | (22 400) | 539 303 |
| Social contribution | 125 813 | | | | | | | 125 813 |
| Goods and services | 151 996 | | | 7 869 | | | 7 869 | 159 865 |
| Transfers and subsidies | 30 316 | | | (27 469) | | | (27 469) | 2 847 |
| Provinces and municipalities | 179 | | | | | | | 179 |
| Departmental agencies and accounts | 27 129 | | | (27 129) | | | (27 129) | |
| Non-profit institutions | | | | | | | | |
| Households | 3 008 | | | (340) | | | (340) | 2 668 |
| Payments for capital assets | 92 452 | | 10 400 | 42 000 | | 8 273 | 60 673 | 153 125 |
| Buildings and other fixed structures | 42 200 | | | (22 200) | | | (22 200) | 20 000 |
| Machinery and equipment | 50 252 | | 10 400 | 64 200 | | 8 273 | 82 873 | 133 125 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 962 280 | | 10 400 | | | 8 273 | 18 673 | 980 953 |

The main appropriated budget increase by a total amount of R18.7 million to R980.9 million in the 2021/22 financial year. Of the total increase of R18.7 million, R10.4 million is unspent funds rolled over from the previous financial year and R8.3 million is an additional allocation from the province. The details of these adjustments are explained hereunder:

The R10.4 million is rolled over to settle accruals emanating from the procurement of vehicles, mobile police stations and awareness sessions on community radio stations. The province reallocates R8.3 million to the department of which R3.2 million is a reimbursement for stipends paid to patrollers on behalf of the Gauteng Department of Human Settlements, R3.8 million accounts for the agreement between the department and the South African National Roads Agency SOC Ltd (SANRAL) in relation to the provision of law enforcement agencies to enforce traffic laws. The remaining amounts of R996 995 is a reimbursement for traffic law officers that are deployed by the department to escort the Premier and R269 923 is a reimbursement for an employee from the Gauteng Provincial Treasury for an employee who was transferred.

The shifting of budget within programmes and items is also appropriated in this adjustment. From compensation of employees, a saving of R22.4 million is due to delays in the filling of vacant posts which shifts to goods and services and payment for capital assets to augment the budget for bursaries, audit fees, ICT infrastructure, fleet services and other expenses. An increase of R7.9 million in goods in services is to ensure that the department reduce spending pressures emanating from the prior year's accruals, payables, and contractual obligations. The budget is also realigned to fund programmes such as safety awareness campaigns, to mobilize communities in the fight against crime, to educate community members on Gender-Based Violence (GBV) in partnership with media houses and to train Community Police Forums (CPFs).

An amount of R27.1 million is reclassified from transfers and subsidies to payment of capital assets to procure motor vehicles which will be donated to the South African Police Services (SAPS) to increase police visibility and to carry out GBV activities.

Furthermore, an amount of R22.2 million is reprioritised from buildings and fixed structures to fund fleet services and the maintenance and repairs of office buildings in goods and services. Machinery and equipment increase by R64.2 million for fleet services and the procurement of motor vehicles.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 10.2: PROGRAMME 1: ADMINISTRATION

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office of the MEC | 11 645 | | | 1 500 | | | 1 500 | 13 145 |
| 2. Office Of The HOD | 18 621 | | | (3 250) | | | (3 250) | 15 371 |
| 3. Financial Management | 38 806 | | | (2 200) | | | (2 200) | 36 606 |
| 4. Corporate Services | 79 660 | | | 3 950 | | | 3 950 | 83 610 |
| 5. Legal | 5 761 | | | | | | | 5 761 |
| 6. Security | 15 151 | | | | | | | 15 151 |
| Total for Programmes | 169 644 | | | | | | | 169 644 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 167 513 | | | (3 400) | | | (3 400) | 164 113 |
| Compensation of employees | 140 933 | | | (10 400) | | | (10 400) | 130 533 |
| Salaries & wages | 121 280 | | | (10 400) | | | (10 400) | 110 880 |
| Social contribution | 19 653 | | | | | | | 19 653 |
| Goods and services | 26 580 | | | 7 000 | | | 7 000 | 33 580 |
| Transfers and subsidies | | | | | | | | |
| Provinces and municipalities | | | | | | | | |
| Households | | | | | | | | |
| Payments for capital assets | 2 131 | | | 3 400 | | | 3 400 | 5 531 |
| Machinery and equipment | 2 131 | | | 3 400 | | | 3 400 | 5 531 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 169 644 | | | | | | | 169 644 |

TABLE 10.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------|--|--------|
| Current payments | | (11 000) | | 7 600 |
| Compensation of employees | Reprioritisation of funds due to the delay in the filling of vacant posts because of the lockdown regulations. | (10 400) | | |
| Goods and services | Savings realised due to staff members working from home. | (600) | Funds made available to defray excess expenditure incurred on software licence, bursaries, fumigation of office building and IT infrastructure in the new office building. Budget shifts to defray excess expenditure incurred on additional fleet and the printing of annual report and other documents. Budget shifts to fund the payment of stipends to contract workers who assist with the capturing infringement notices. Funds are also made available for the postage of infringement notices and reprioritised towards the COVID-19 response including the procurement of Personnel Protective Equipment (PPE). | 7 600 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Households | | | | |
| Payments for capital assets | | | | 3 400 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Budget is allocated to fund the capital portion of the finance lease with g-fleet. | 3 400 |
| Payments for financial assets | | | | |
| Total economic classification | | (11 000) | | 11 000 |

Virements and shifts

Funds are reprioritized within the programme to fund operational costs such as expenditure incurred on utilities, maintenance and repairs of office buildings and fleet services. These cost drivers are higher than initially anticipated due to an increase in the staff establishment and other unforeseen maintenance needed at regional office buildings. In addition, the spending pressures emanates from high accruals from the prior financial year. The funds are shifted from vacant posts which could not be filled amidst COVID-19 lockdown regulations.

Programme 2: Provincial Secretariat for Police Service

TABLE 10.4: PROGRAMME 2: PROVINCIAL SECRETARIAT FOR POLICE SERVICE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Programme Support | 5 025 | | | (1 000) | | | (1 000) | 4 025 |
| 2. Policy And Research | 7 614 | | | (1 500) | | | (1 500) | 6 114 |
| 3. Monitoring And Evaluation | 61 869 | | 10 400 | 2 500 | | | 12 900 | 74 769 |
| 4. Safety Promotion | 124 022 | | | | | | | 124 022 |
| 5. Community Police Relations | 42 449 | | | | | | | 42 449 |
| Total for Programmes | 240 979 | | 10 400 | | | | 10 400 | 251 379 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 202 068 | | | (11 131) | | | (11 131) | 190 937 |
| Compensation of employees | 104 509 | | | (12 000) | | | (12 000) | 92 509 |
| Salaries & wages | 90 377 | | | (12 000) | | | (12 000) | 78 377 |
| Social contribution | 14 132 | | | | | | | 14 132 |
| Goods and services | 97 559 | | | 869 | | | 869 | 98 428 |

| | | | | | | |
|--------------------------------------|----------------|---------------|----------|--|---------------|----------------|
| Transfers and subsidies | 27 911 | | (27 469) | | (27 469) | 442 |
| Provinces and municipalities | | | | | | |
| Departmental agencies and accounts | 27 129 | | (27 129) | | (27 129) | |
| Households | 782 | | (340) | | (340) | 442 |
| Payments for capital assets | 11 000 | 10 400 | 38 600 | | 49 000 | 60 000 |
| Buildings and other fixed structures | 10 000 | | (10 000) | | (10 000) | |
| Machinery and equipment | 1 000 | 10 400 | 48 600 | | 59 000 | 60 000 |
| Software and other intangible assets | | | | | | |
| Payments for financial assets | | | | | | |
| Thefts & Losses | | | | | | |
| Total economic classification | 240 979 | 10 400 | | | 10 400 | 251 379 |

TABLE 10.5 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: PROVINCIAL SECRETARIAT FOR POLICE SERVICE

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|-----------------|--|---------------|
| Current payments | | (36 853) | | 25 722 |
| Compensation of employees | Reprioritisation of funds due to the delay in the filling of vacant posts because of the lockdown regulations. | (12 000) | | |
| Goods and services | Funds shift due to SCOA classification motor vehicles donated to the SAPS. Funds shifts from contractors, training and development, fleet services as these items are adequately budgeted for. Budget was erroneously allocated to fleet services and the budget for Gender Based Violence and Femicide (GBVF) was erroneously allocated to property payments, hence the shift from these items. | (24 853) | Budget is allocated to raise awareness, mobilise, and educate community members on GBV in partnership with media houses. Provision for catering provided at community outreach events such as 16 Days of Activism Against Women and Child Abuse. Funds are also made available to purchase data for the GBV Brigades. Funds shifts to defray excess expenditure on fleet services and accruals related to the maintenance and repairs of facilities at Ikhaya Lethemba and Evaton. Provision for transporting stakeholders to meetings and training and capacitating the CPF's. Funds made available to hire a venue to be used for the training of internal and external stakeholders on issues relating to GBVF and CPF's. | 25 722 |
| Transfers and subsidies | | (27 629) | | 160 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | Reclassification of budget for the donation of motor vehicles to the SAPS according to SCOA. | (27 129) | | |
| Households | Reduction in number of deaths on duty & injury on duty claims from patrollers. | (500) | Funds allocated towards injury on duty claims. | 160 |
| Payments for capital assets | | (10 000) | | 48 600 |
| Buildings and other fixed structures | Reclassification of funds within the Sub-programme: Community Empowerment Centre to defray excess expenditure incurred on the maintenance and repairs of facilities at Ikhaya Lethemba and Evaton. | (10 000) | | |
| Machinery and equipment | | | Budget is allocated to procure motor vehicles which will be donated to the SAPS to increase police visibility and carry-out GBV activities. Provision for the capital portion of the finance lease with g-fleet. | 48 600 |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (74 482) | | 74 482 |

Roll-overs: R10.4 million

An amount of R10.4 million is a roll-over from the prior year to settle accruals related to the procurement of vehicles, mobile police stations and awareness sessions conducted on community radio stations.

Virements and shifts

An amount of R12 million is shifted from compensation of employees to goods and services and payment of capital assets to fund fleet services. These funds are made available due to the delays in the filling of vacant posts because of the COVID-19 lockdown regulations. The budget allocated for the procurement motor vehicles which will be donated to the South African Police Services (SAPS) is reclassified from transfers to machinery and equipment in line with the Standard Chart of Accounts (SCOA) requirements. Funds are also shifted to provide for data for GBV Brigades and purchase motor vehicles to be donated to SAPS to increase police visibility and to carry out GBV activities such as awareness campaigns in partnership with the media. Furthermore, an amount of R10 million is reprioritized from buildings and fixed structures to defray excess expenditure on accruals related to the maintenance and repairs of facilities at Ikhaya Lethemba and Evaton.

Programme 3: Traffic Management

TABLE 10.6: PROGRAMME 2: TRAFFIC MANAGEMENT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|----------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Traffic Law Enforcement | 201 888 | | | (20 000) | | 8 273 | (11 727) | 190 161 |
| 2. Special Services | 15 252 | | | 20 000 | | | 20 000 | 35 252 |
| 3. Public Transport Inspectorate | 313 932 | | | | | | | 313 932 |
| 4. Road Safety Promotion | 20 585 | | | | | | | 20 585 |
| Total for Programmes | 551 657 | | | | | 8 273 | 8 273 | 559 930 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 469 931 | | | | | | | 469 931 |
| Compensation of employees | 442 074 | | | | | | | 442 074 |
| Salaries & wages | 350 046 | | | | | | | 350 046 |
| Social contribution | 92 028 | | | | | | | 92 028 |
| Goods and services | 27 857 | | | | | | | 27 857 |
| Transfers and subsidies | 2 405 | | | | | | | 2 405 |
| Provinces and municipalities | 179 | | | | | | | 179 |
| Households | 2 226 | | | | | | | 2 226 |
| Payments for capital assets | 79 321 | | | | | 8 273 | 8 273 | 87 594 |
| Buildings and other fixed structures | 32 200 | | | (12 200) | | | (12 200) | 20 000 |
| Machinery and equipment | 47 121 | | | 12 200 | | 8 273 | 20 473 | 67 594 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 551 657 | | | | | 8 273 | 8 273 | 559 930 |

TABLE 10.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: TRAFFIC MANAGEMENT

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|-----------------|--|---------------|
| Current payments | | (20 000) | | 20 000 |
| Compensation of employees | Funds shifted from traffic law enforcement to special services to align the budget to the staff establishment. | (20 000) | Funds are shifted to align of the personnel budget with the staff establishment. | 20 000 |
| Goods and services | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Households | | | | |
| Payments for capital assets | | (12 200) | | 12 200 |
| Buildings and other fixed structures | Reprioritisation of funds due to the delay in the implementation of Integrated Command and Control Centre project. | (12 200) | | |
| Machinery and equipment | | | Budget is allocated to fund the capital portion of the finance lease with g-fleet. | 12 200 |
| Land and sub-soil assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (32 200) | | 32 200 |

Virements and shifts

Funds shifted within compensation of employees from the Sub-programme: Traffic Law Enforcement to the Sub-programme: Special Services to align the budget with the staff establishment. An amount of R12.2 million shifts from the budget allocated to the Integrated Command and Control Centre to machinery and equipment to defray excess expenditure under fleet services. The establishment of the Integrated Command and Control Centre is delayed; hence the entire allocation will not be spent by financial year-end.

Additional funding: Provincial R8.3 million

An amount of R8.3 million is reallocated to the programme to reimburse the department for incurring expenditure on behalf of other organs of state in the previous financial year.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 10.8: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22: COMMUNITY SAFETY

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|---|--------------------------------|----------------------|---------------------|--|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 147 869 | 69 600 | 140 221 | 95% | 169 644 | 84 627 | 22% |
| 2. Provincial Secretariat for Police Services | 229 303 | 64 660 | 194 620 | 85% | 240 979 | 91 190 | 41% |
| 3. Traffic Management | 522 276 | 359 957 | 546 661 | 105% | 551 657 | 274 328 | (24)% |
| Total | 899 448 | 494 217 | 881 502 | 98% | 962 280 | 450 145 | (9)% |
| Current payments | 790 742 | 449 403 | 797 634 | 101% | 839 512 | 399 339 | (11)% |
| Compensation of employees | 637 117 | 374 757 | 648 250 | 102% | 687 516 | 308 513 | (18)% |
| Goods and Services | 153 625 | 74 646 | 149 384 | 97% | 151 996 | 90 826 | 22% |
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 50 396 | 2 094 | 4 851 | 10% | 30 316 | 2 946 | 41% |
| Provinces and municipalities | 170 | | | 0% | 179 | 360 | ! |
| Machinery and equipment | 36 310 | 42 720 | 78 762 | 217% | 50 252 | 47 846 | 12% |
| Payments for financial assets | | | 255 | | | 14 | |
| Total | 899 448 | 494 217 | 881 502 | 98% | 962 280 | 450 145 | (9)% |

Expenditure trends for 2020/21

The department spent 98 per cent of its appropriated budget with key cost drivers including fleet services and overtime with a large portion of goods and services budget absorbed by accruals and payables.

Programme 1: Administration

The programme spent 95 per cent of its appropriated budget due to delay in filling vacant positions as result of the COVID-19 pandemic.

Programme 2: Provincial Secretariat for Police Service

The programme spent 85 per cent of its appropriated budget, and the 15 per cent underspending was due to delay in filling vacant positions and delivery of motor vehicles.

Programme 3: Traffic Management

The programme spent 105 per cent of its appropriated budget and this is attributable to the deployment of traffic officers to enforce lockdown regulations which resulted in excess expenditure incurred on overtime and fleet services as well accruals carried forward from the prior financial year.

Expenditure trends for the first half of 2021/22 financial year

Actual expenditure as at the 30th September 2021 amounts to R450.1 million, and a large portion of goods and services and payment of capital assets' budget was spent on accruals and payables from the prior financial year.

Programme 1: Administration

Programme 1: Administration spent R84.6 million which translates to 50 per cent of the appropriated budget and is 22 per cent higher when compared with the expenditure in the same period of the previous financial year. This is due to accruals carried forward to the current financial year, out of court settlements and the payment for utilities for the building.

Programme 2: Provincial Secretariat for Police Service

The programme has spent 38 per cent of the allocated budget, the underspending is due to vacant positions and a delay in expenditure on buildings and fixed structures. However, the expenditure has accelerated by 41 per cent when compared against the same period of the previous financial year due to the payment of prior year accruals and payables.

Programme 3: Traffic Management

Traffic Management has spent a total of R274.3 million and this is attributable to the payment of the accruals and payables from the previous financial year related to fleet assets and the maintenance and repairs of regional offices. The slower spending rate of 24 per cent when compared to the same period of the previous financial year is due to the decrease in the payment of overtime to traffic officers.

6. Departmental Receipts

TABLE 10.9: DEPARTMENTAL RECEIPTS

| Department | 2020/21 Audited Outcome | | | | 2021/22 Preliminary Receipts | | |
|---|----------------------------|---------------------|--------------------|---|---------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020- Sept 2020 | Apr 2020- Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Tax receipts | | | | | | | |
| Liquor licences | | | | | | | 0% |
| Sales of goods and services other than capital assets | 1 421 | 653 | 1 298 | 91% | 1 409 | 628 | (4)% |
| Transfers received | | | | | | | 0% |
| Fines, penalties and forfeits | 25 707 | 10 193 | 42 586 | 166% | 27 121 | 12 304 | 21% |
| Interest, dividends and rent on land | | | | | | | 0% |
| Sales of capital assets | | 41 | 41 | | | | (100)% |
| Financial transactions in assets and liabilities | 10 489 | 724 | 9 762 | 93% | 11 066 | 3 379 | 367% |
| Total | 37 617 | 11 611 | 53 687 | 142.7% | 39 596 | 16 311 | 40.48% |

Revenue trends for the first half of the 2021/22 financial year

The table above shows the contribution of each revenue source to the total revenue generated as at end of 30 September 2021. In the 2021 financial year, the department estimates to collect R39.6 million. The target remains the same, thus, there are no adjustments. However, overall revenue collection has increased by 40 per cent compared to the same period last financial year relative to estimated revenue to be collected due to the relaxed lockdown regulations.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 10.10: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 1 | | | | | | | | |
| Programme 2 | 27 911 | | | (27 469) | | | (27 469) | 442 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | 27 129 | | | (27 129) | | | (27 129) | |
| Programme 3 | 2 405 | | | | | | | 2 405 |
| Provinces and municipalities | 179 | | | | | | | 179 |

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Households | 2 226 | | | | | | | 2 226 |
| Total changes in conditional Name of transfer payments | 30 316 | | | (27 469) | | | (27 469) | 2 847 |

Virements and shifts

An amount of R27.1 million is reclassified from transfer payments to payment of capital assets to allocate the budget for the procurement of motor vehicles which will be donated to South African Police Services (SAPS) to increase police visibility and to carry out GBV activities to the correct SCOA item.

Changes to Conditional grant

No changes.

Changes to Infrastructure

Not applicable.

VOTE 11

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

| R thousand | 2021/22 | | | |
|------------------------------|---|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 1 016 225 | 1 044 811 | | 28 586 |
| of which: | | | | |
| Current payments | 955 713 | 978 150 | | 22 437 |
| Transfers and subsidies | 9 207 | 11 053 | | 1 846 |
| Payments for capital assets | 51 305 | 55 608 | | 4 303 |
| Payment for financial assets | | | | |
| Executive authority | MEC for Agriculture and Rural Development | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission

Vision

An economically transformed agricultural sector for the promotion of sustainable, environmental management; food security and developed rural and urban communities in Gauteng.

Mission

To radically modernize and transform agriculture, environment, and rural development by:

- Promoting environmental protection and management;
- Expanding access to agricultural opportunities;
- Maximising food security;
- Up-scaling rural development;
- Promoting the One Health System; and
- Supporting sustainable livelihoods and communities.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 11.1: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 255 501 | (1 060) | 7 232 | 1 512 | 8 743 | | 16 427 | 271 928 |
| 2. Agriculture and Rural Development | 457 518 | | 10 716 | (6 911) | 7 468 | | 11 273 | 468 791 |
| 3. Environmental Affairs | 303 206 | (10 530) | | 5 399 | 6 017 | | 886 | 304 092 |
| Total for Programmes | 1 016 225 | (11 590) | 17 948 | | 22 228 | | 28 586 | 1 044 811 |

| | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 955 713 | (1 534) | 4 531 | (2 788) | 22 228 | | 22 437 | 978 150 |
| Compensation of employees | 509 944 | (1 060) | | 9 001 | 22 228 | | 30 169 | 540 113 |
| Salaries & wages | 437 993 | (570) | | 9 131 | 22 228 | | 30 789 | 468 782 |
| Social contribution | 71 951 | (490) | | (130) | | | (620) | 71 331 |
| Goods and services | 445 769 | (474) | 4 531 | (11 789) | | | (7 732) | 438 037 |
| Transfers and subsidies | 9 207 | | 1 240 | 606 | | | 1 846 | 11 053 |
| Provinces and municipalities | | | | 74 | | | 74 | 74 |
| Departmental agencies and accounts | 1 476 | | | (116) | | | (116) | 1 360 |
| Higher education institutions | 5 965 | | 1 240 | | | | 1 240 | 7 205 |
| Public corporations and private enterprises | | | | | | | | |
| Households | 1 766 | | | 648 | | | 648 | 2 414 |
| Payments for capital assets | 51 305 | (10 056) | 12 177 | 2 182 | | | 4 303 | 55 608 |
| Buildings and other fixed structures | 29 822 | (10 056) | | | | | (10 056) | 19 766 |
| Machinery and equipment | 21 483 | | 12 177 | 2 182 | | | 14 359 | 35 842 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 1 016 225 | (11 590) | 17 948 | | 22 228 | | 28 586 | 1 044 811 |

The department reviewed its Annual Performance Plans (APP) during the Adjustment budget period. The need to revise its plans was necessitated by the urgency to resuscitate the performance of the Gauteng Gross Domestic Product (GDP) and its contribution to employment which has come under significant pressure from:

- The impact of the COVID-19 induced lockdown on economy, business and employment;
- The impact of the July 2021 unrest on both the economy and employment in the province; and
- Current employment statistics identify South Africa as the country with the highest unemployment levels.

GDARD, in response to its mandate aims to achieve an economically transformed agricultural sector; and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng. The Department continues to promote environmental protection and management; expanding access to agricultural opportunities; maximizing food security; up-scaling rural development; and supporting sustainable livelihoods and communities.

The adjustments made to the department's budget are mainly to give effect to approved roll-over request both equitable share and conditional grants, virement and shifts of funds within and between programmes as well as to surrender funds for projects that are not ready for implementation.

The total budget has been adjusted upwards from R1.016 billion to R1.044 billion, increasing by a net amount of R28.5 million. The amounts comprise of 17.9 million approved as a rollover for equitable share which will fund the following projects: supply and delivery of agriculture equipment, computer equipment, rugged device, protective clothing, research agenda projects, motor vehicles for veterinary services. The department receives additional funding of R22 million for a non-pensionable cash subsidy for all employees in salary level 1 to 12.

Furthermore, an amount of R1.5 million is surrendered from infrastructure Delivery Management System (IDMS) capacity development due to delays in implementation of projects, an amount of R10 million for maintenance at the Marievale Bird Sanctuary Provincial Nature Reserve, construction of Fence at Abe bailey and upgrading and additions for Southern Water line at Suikerbosrand nature reserve is surrendered due to delays in implementation of projects.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 11.2: PROGRAMME 1: ADMINISTRATION

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Office of the MEC | 6 508 | | | (196) | | | (196) | 6 312 |
| 2. Senior Management | 29 514 | | | (779) | | | (779) | 28 735 |
| 3. Corporate Services | 87 504 | | 7 232 | 7 795 | 2 756 | | 17 783 | 105 287 |
| 4. Financial Management | 131 975 | (1 060) | | (5 308) | 5 987 | | (381) | 131 594 |
| Total for Programmes | 255 501 | (1 060) | 7 232 | 1 512 | 8 743 | | 16 427 | 271 928 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 247 695 | (1 060) | | 1 178 | 8 743 | | 8 861 | 256 556 |
| Compensation of employees | 144 082 | (1 060) | | (130) | 8 743 | | 7 553 | 151 635 |
| Salaries & wages | 119 770 | (570) | | | 8 743 | | 8 173 | 127 943 |
| Social contribution | 24 312 | (490) | | (130) | | | (620) | 23 692 |
| Goods and services | 103 613 | | | 1 308 | | | 1 308 | 104 921 |
| Transfers and subsidies | 2 260 | | | (207) | | | (207) | 2 053 |
| Provinces and municipalities | | | | 74 | | | 74 | 74 |
| Departmental agencies and accounts | 1 476 | | | (116) | | | (116) | 1 360 |
| Households | 784 | | | (165) | | | (165) | 619 |
| Payments for capital assets | 5 546 | | 7 232 | 541 | | | 7 773 | 13 319 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 5 546 | | 7 232 | 541 | | | 7 773 | 13 319 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 255 501 | (1 060) | 7 232 | 1 512 | 8 743 | | 16 427 | 271 928 |

TABLE 11.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|-----------------|---|---------------|
| Current payments | | (12 262) | | 13 440 |
| Compensation of employees | Funds are shifted from social contribution due to item being adequately funded. | (130) | | |
| Goods and services | Funds are shifted due to suspension of publication of the Nature Conservation bill and fleets services is reduced due to Economic recovery plan priority. Catering services, booking of venues and facilities has been reduced due to cancellation of stakeholder engagements with communities in compliance with COVID -19 restrictions. | (12 132) | Funds are allocated for payment of software licences; the legal services; as well as the lease of office buildings. | 13 440 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (616) | | 409 |
| Provinces and municipalities | | | Funds are allocated for payment of municipal rates and taxes. | 74 |
| Departmental agencies and accounts | Funds are shifted due to payment for the skills development levy to Agri-Seta and CATH-SETA are fully paid. | (116) | | |
| Non-profit institutions | | | | |
| Households | Funds are shifted due to fewer requests processed for injury on duty benefits. | (500) | Funds are allocated for leave gratuity benefits. | 335 |
| Payments for capital assets | | | | 541 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Funds are allocated for procurement of shredder machines and laptops for employees working remotely. | 541 |
| Payments for financial assets | | | | |
| Total economic classification | | (12 878) | | 14 390 |

Function shifts, Suspensions, and Surrenders: R1 million

An amount of R1 million is surrendered from infrastructure capacity building due to delays in recruitment process.

Roll-overs: R7.2 million

An amount of R7.2 million is rolled over to fund tools of trade such as laptops, computer screens and printers.

Virements and shifts

A total virement of R1.5 million is shifted to Corporate Services for payment of software licences, rental of off-site storage as well as the lease of office buildings. Furthermore, funds are also allocated for the decontamination of office buildings and procurement of sanitisers, mask etc. against COVID-19 pandemic. Lastly, provision is also made to cover over expenditure related to leave gratuity benefits.

Additional funding: Provincial R8.7 million

An amount of R8.7 million additional funding is granted to the department for a non-pensionable cash subsidy for all employees in salary level 1 to 12.

Programme 2: Agriculture and Rural Development

TABLE 11.4: PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

| Sub-programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Sustainable Resource Management | 7 355 | | | | | | | 7 355 |
| 2. Farmer Support And Development | 221 837 | | 1 791 | | 3 441 | | 5 232 | 227 069 |
| 3. Veterinary Services | 105 571 | | 3 290 | (2 037) | 813 | | 2 066 | 107 637 |
| 4. Research And Technology Development Services | 77 900 | | 5 635 | (2 521) | 2 633 | | 5 747 | 83 647 |
| 5. Agricultural Economics Services | 34 150 | | | (816) | 581 | | (235) | 33 915 |
| 6. Rural Development Coordination | 10 705 | | | (1 537) | | | (1 537) | 9 168 |
| Total for Programmes | 457 518 | | 10 716 | (6 911) | 7 468 | | 11 273 | 468 791 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 446 330 | | 4 531 | (11 947) | 7 468 | | 52 | 446 382 |
| Compensation of employees | 181 122 | | | | 7 468 | | 7 468 | 188 590 |
| Salaries & wages | 157 562 | | | | 7 468 | | 7 468 | 165 030 |
| Social contribution | 23 560 | | | | | | | 23 560 |
| Goods and services | 265 208 | | 4 531 | (11 947) | | | (7 416) | 257 792 |
| Transfers and subsidies | 6 270 | | 1 240 | 605 | | | 1 845 | 8 115 |
| Departmental agencies and accounts | | | | | | | | |
| Higher education institutions | 5 965 | | 1 240 | | | | 1 240 | 7 205 |
| Public corporations and private enterprises | | | | | | | | |
| Households | 305 | | | 605 | | | 605 | 910 |
| Payments for capital assets | 4 918 | | 4 945 | 4 431 | | | 9 376 | 14 294 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 4 918 | | 4 945 | 4 431 | | | 9 376 | 14 294 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 457 518 | | 10 716 | (6 911) | 7 468 | | 11 273 | 468 791 |

TABLE 11.5 DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|------------|----------|------------|-------|
| Current payments | | (19 265) | | 7 318 |
| Compensation of employees | | | | |

| Economic classification | Motivation | From | Motivation | To |
|---|---|----------|--|--------|
| Goods and services | Funds are shifted from rural development coordination project, veterinary animal diagnostic samples and construction of Themba veterinary clinic infrastructure due to delays in implementation of projects. Funds are also shifted from agro-processing infrastructure support project due to project deferred, training and development of smallholder farmers has been reduced in compliance with COVID -19 regulations. | (19 265) | Funds are allocated for the maintenance of mobile abattoirs and animal health equipment. These includes: vaccine refrigerators, microscopes, sterilizers, X-ray machines and captive bolts. Funds are also allocated for the feasibility studies for the War Room project and professional service for the land audit. | 7 318 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 605 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | Funds are allocated for leave gratuity benefits. | 605 |
| Payments for capital assets | | | | 4 431 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Funds are allocated for mobile abattoirs equipment and procurement of mobile pack-houses. | 4 431 |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (19 265) | | 12 354 |

Roll-over: R10.7 million

An amount of R8.9 million is approved as a rollover for equitable share to fund the following: supply and delivery of agriculture equipment, research agenda projects and motor vehicles for veterinary services. An amount of R1.8 million is approved as a National rollover to Comprehensive Agricultural Support Programme grant: Extension Recovery Programme for procurement of laptops, screens, rugged device and protective clothing for agricultural extension officers.

Virements and shifts

A total virement of R6.9 million is shifted from rural development coordination project, veterinary animal diagnostic samples and construction of Themba veterinary clinic infrastructure due to delays in implementation of projects. Funds are also shifted from agro-processing infrastructure support project due to the project being deferred. The training and development of smallholder farmers has been reduced in compliance with COVID-19 regulations.

Furthermore, funds are allocated towards the following: poultry and meat mobile abattoirs equipment; procurement of mobile pack houses; and replacement of laptops; feasibility study for the War room projects and the Veterinary Patient and Clinical Management System which will ensure efficient data collection.

Additional Funding: Provincial R7.5 million

An amount of R7.5 million is availed for a non-pensionable cash subsidy for all employees in salary level 1 to 12.

Programme 3: Environmental Affairs**TABLE 11.6: PROGRAMME 3: ENVIRONMENTAL AFFAIRS**

| Sub-programmes R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|-----------------------|---|------------|-------------------------|------------------------------------|--------------------------------------|----------------------|---------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Environmental Policy, Planning And Coordination | 27 326 | | | (367) | | | (367) | 26 959 |
| 2. Compliance And Enforcement | 45 474 | | | (629) | 2 621 | | 1 992 | 47 466 |
| 3. Environmental Quality Management | 58 488 | | | 1 698 | | | 1 698 | 60 186 |
| 4. Biodiversity Management | 120 229 | (10 530) | | (1 080) | 3 396 | | (8 214) | 112 015 |
| 5. Environmental Empowerment Services | 51 689 | | | 5 777 | | | 5 777 | 57 466 |
| Total for Programmes | 303 206 | (10 530) | | 5 399 | 6 017 | | 886 | 304 092 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|-----------------------|---|------------|-------------------------|------------------------------------|--------------------------------------|----------------------|---------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 261 688 | (474) | | 7 981 | 6 017 | | 13 524 | 275 212 |
| Compensation of employees | 184 740 | | | 9 131 | 6 017 | | 15 148 | 199 888 |
| Salaries & wages | 160 661 | | | 9 131 | 6 017 | | 15 148 | 175 809 |
| Social contribution | 24 079 | | | | | | | 24 079 |
| Goods and services | 76 948 | (474) | | (1 150) | | | (1 624) | 75 324 |
| Transfers and subsidies | 677 | | | 208 | | | 208 | 885 |
| Households | 677 | | | 208 | | | 208 | 885 |
| Payments for capital assets | 40 841 | (10 056) | | (2 790) | | | (12 846) | 27 995 |
| Buildings and other fixed structures | 29 822 | (10 056) | | | | | (10 056) | 19 766 |
| Machinery and equipment | 11 019 | | | (2 790) | | | (2 790) | 8 229 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 303 206 | (10 530) | | 5 399 | | | 886 | 304 092 |

TABLE 11.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: ENVIRONMENTAL AFFAIRS

| Economic classification | Motivation | From | Motivation | To |
|--|---|-----------------|--|---------------|
| Current payments | | (30 589) | | 38 570 |
| Compensation of employees | | | Budget allocated for salaries and wages for Expanded Public Works Programme participants. | 9 131 |
| Goods and services | Funds are shifted from booking of venues and facilities due to hosting of events being prohibited in compliance with COVID-19 regulations: Bontle ke Botho (BkB) cleaning campaigns: and IDMS infrastructure project in the departmental nature reserves due to delays in implementation of projects. | (30 589) | Funds are allocated for the clean and greening economy project; hiring of Tipper Low Bed Trucks for assisting municipalities with clearing of illegal dumping of waste in townships and informal settlement; the clearing of alien vegetation in the Blesbokspruit wetlands site as well as training of field rangers. | 29 439 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 208 |
| Provinces and municipalities | | | | |
| Households | | | Funds are allocated for leave gratuity benefits. | 208 |
| Payments for capital assets | | (2 954) | | 164 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | Funds are shifted from acquisition trucks, tractors and vehicles due to delays in implementation of projects as a result of COVID-19 lockdown. | (2 954) | Funds are allocated for procurement of laptops for officials. | 164 |
| Payments for financial assets | | | | |
| Total economic classification | | (33 543) | | 38 942 |

Function shifts, Suspensions, and Surrenders: R10.5 million

An amount of R10.5 million is surrendered back to the provincial revenue funds due to delays in the implementation of the following projects: maintenance at the Marievale Bird Sanctuary Provincial Nature Reserve; construction of fence at Abe bailey; and upgrading and additions for Southern Water line at Suikerbosrand Nature Reserve.

Virements and shifts

An amount of R5.3 million is shifted within the programme from venues and facilities as most events are now hosted virtually in compliance with COVID-19 regulations. Funds are also redirected towards the following: stipends for casual labourers; rental and hiring of Tipper Low Bed truck (TLBs) and trucks for clean-up campaigns; procurement of waste recyclers equipment, as well as clearing of waste at illegal dumping sites and the procurement of laptops, printers and projectors for officials working remotely.

Additional Funding: Provincial R6 million

An amount of R6 million is allocated towards the non-pensionable cash subsidy for all employees in salary level 1 to 12.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 11.8: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|---|--------------------------------|----------------------|---------------------|---|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 – 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 250 991 | 130 739 | 248 644 | 99% | 271 928 | 133 219 | (51)% |
| 2. Agriculture and Rural Development | 426 623 | 131 362 | 377 586 | 89% | 468 791 | 148 150 | (68)% |
| 3. Environmental affairs | 319 098 | 124 680 | 325 665 | 102% | 304 092 | 130 803 | (57)% |
| Total | 996 712 | 386 781 | 951 895 | 96% | 1 044 811 | 412 172 | 7% |
| Current payments | 930 845 | 361 861 | 852 032 | 92% | 978 150 | 387 470 | (123)% |
| Compensation of employees | 518 000 | 260 330 | 525 489 | 101% | 540 113 | 263 465 | (51)% |
| Goods and Services | 412 845 | 101 531 | 326 543 | 79% | 438 037 | 124 005 | (72)% |
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 9 361 | 1 919 | 9 082 | 97% | 11 053 | 1 972 | (242)% |
| Provinces and municipalities | | | 38 | | 74 | 73 | (1)% |
| Departmental agencies and accounts | 1 423 | 1 423 | 1 423 | 100% | 1 360 | | (100)% |
| Higher education institutions | 6 465 | | 6 075 | 94% | 7 205 | 715 | (90)% |
| Public corporations & private enterprises | | | | | | | |
| Households | 1 473 | 496 | 1 546 | 105% | 2 414 | 1 184 | (51)% |
| Payments for capital assets | 54 506 | 23 001 | 90 752 | 166% | 55 608 | 22 730 | (1)% |
| Buildings and other fixed structures | 1 493 | | 1 202 | 81% | 19 766 | 5 401 | (73)% |
| Machinery and equipment | 53 013 | 23 001 | 89 550 | 169% | 35 842 | 17 329 | (52)% |
| Payments for financial assets | | | 29 | | | | |
| Total | 994 712 | 386 781 | 951 895 | 96% | 1 044 811 | 412 172 | 7% |

Expenditure trends for 2020/21

The department's total adjusted budget amounted to R 994.7 million and overall. The department spent R 951.8 million of its adjusted budget for 2020/21 financial year.

Programme 1: Administration expenditure totals R248.6 million of its adjusted budget.

Programme 2: Agriculture and Rural Development spent R377.5 million of its adjusted. The under spending was due to delays in implementation of projects as a result of COVID -19 lockdown.

Programme 3: Environmental Affairs recorded expenditure of R325.6 million of its adjusted budget.

Compensation of Employees

The department spent R525.4 million of its R526.2 million adjusted budget. The department underspent by R798 000 due to significant budget cuts /wage freeze during adjustment budget and payment of performance bonus and notch progression only for levels 1-12.

Goods and Services

The department recorded an expenditure of R326.5 million of its R412.8 million adjusted budget. The underspending is due to the COVID-19 pandemic's interruptions to the usual service delivery activities. The budget was committed for the 2020-2021 financial year, but delivery could not take place at financial year end; this forms part of the department's request for roll-over.

Transfers and Subsidies

The department spent R9 million of which R5 million for the transfer payment related to Tshwane University of Technology for training of farmers, SETA's for skills development levy and leave gratuity payment and this is equivalent to 97 per cent of its budget allocation.

A total budget of R390 000 could not be transferred to higher education and institutions for Agricultural Research Agenda due to the late submission of University of Pretoria (UP) approved documents to process resulting in the last payment run for the financial year being missed.

Payments for Capital Assets

The department recorded expenditure of R90.7 million of its R105.6 million adjusted budget. The overspending is due to expenditure related to the acquisition of waste trucks to assist Emfuleni Local municipality, whereas the budget is allocated under Goods and Services. Budget was shifted to Capital Assets during year end shifts and virements process.

5. Preliminary expenditure trends for the first half of 2021/22

Compensation of Employees

Expenditure incurred amounts to R263.4 million against the allocated budget of R509.9 million. The expenditure includes the backdated cash allowance which was not budgeted for in the current budget allocation.

Goods and Services

The department recorded an expenditure of R124 million against the allocated budget of R445.7 million. The main reason for the underspending on Goods and services can be attribute to the fact that several procurement processes (RFQ and Tender) still unfolding. CASP and Illima/Letsema Business plans were approved in June and the Gauteng LandCare 2021-22 business plan was approved in August with the amount of R2.2 million.

Transfers and Subsidies

The department spent R1.9 million of its budget of R9.2 million which is equivalent to 21 per cent of its allocation. The amount of R1 million was spent on leave gratuity payments and R715 000 transferred to University of Pretoria for research agenda projects departmental agencies and accounts will be transferred to the SETAs for skills development levy.

Payments for Capital Assets

The department spent R22.7 million of its R51.3 million budget allocation. The main expenditure under this item was for laptops, printers etc. (tools of trade) to employees working from home due to COVID-19 and motor vehicles procured under veterinary services.

6. Departmental Receipts

TABLE 11.9: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|--------------------|---|------------------------|----------------------|---------------------------------|
| | Audited Outcome | | | | Preliminary Receipts | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020- Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 – 21/22 Apr-Sept |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 9 742 | 4 618 | 11 814 | | 10 327 | 6 617 | 43% |
| Transfers received | | | | | | | 0% |
| Fines, penalties and forfeits | 8 500 | 7 800 | 2 952 | (1) | 3 500 | 2 711 | (65)% |
| Interest, dividends and rent on land | 2 | 1 | 9 | 4 | 8 | 116 | 11500% |
| Sales of capital assets | | | | | | | 0% |
| Financial transactions in assets and liabilities | 173 | 31 | 623 | 3 | 289 | 202 | 552% |
| Total | 18 417 | 12 450 | 15 398 | (16)% | 14 124 | 9 646 | (23)% |

Revenue collection 2020/21 financial period:

The department collected R15.4 million the adjusted revenue for 2020/21 financial period. The collection includes fines being paid by municipalities and other organisations that had been issued in the previous financial years. The department also started collecting revenue from departmental nature reserves entrance fees from the 17th of August 2020 as they opened for operations.

The departmental nature reserves collected more revenue than anticipated considering the 4 months' non-operation due to COVID-19 lockdown. Veterinary services and permits applications which are demand driven initiatives contributed to revenue collection on sales of goods and services. Services were never affected. Free services were offered at Marievale nature reserves, and the department started receiving revenue from this nature reserve from 1st of April 2021.

Revenue trends as at end of the 2nd quarter of the 2021/22 financial year:

The department continued to receive payments for section 24G administrative fines issued in previous years. The actual collection as at end of 2nd quarter is R9.6 million of the projected revenue. The collection is mainly under sales of goods and services other than capital assets, Serv: Domestic services which include revenue received from nature reserves services and Veterinary services.

Under Sale of Capital assets, the department has collected R116 000 for auction sales of government vehicles in June 2021. No projections were done for auction sales as there is no guarantee of revenue to be received. The department collected on financial transactions in assets and liabilities which are from previous year salary reversals. All other services collected as expected as at end of 2nd quarter. No interest was received on debts

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 11.10: CHANGES TO TRANSFERS AND SUBSIDIES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 1 | 2 260 | | | (542) | | | (207) | 2 053 |
| Provinces and municipalities | | | | 74 | | | 74 | 74 |
| Departmental agencies and accounts | 1 476 | | | (116) | | | (116) | 1 360 |
| Households | 784 | | | (165) | | | (165) | 619 |
| Programme 2 | 6 270 | | | 605 | | | 1 845 | 8 115 |
| Higher education institutions | 5 965 | | | | | | 1 240 | 7 205 |
| Households | 305 | | | 605 | | | 605 | 910 |
| Programme 3 | 677 | | | 208 | | | 208 | 885 |
| Households | 677 | | | 208 | | | 208 | 885 |
| Total changes in conditional Name of transfer payments | 9 207 | | | 271 | | | 1 846 | 11 053 |

Virements and shifts

The net increase of R1.8 million is allocated under provinces and municipalities for payment of municipal rates and taxes, and households for leave gratuity benefits.

Changes to Conditional grant

TABLE 11.11: CHANGES TO CONDITIONAL GRANTS

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 2 | 140 588 | | 1 791 | | | | 1 791 | 142 379 |
| Grant 1: CASP | 99 113 | | 1 791 | | | | 1 791 | 100 904 |
| Grant 2: Ilima/Letsema | 36 459 | | | | | | | 36 459 |
| Grant 3: Land Care | 5 016 | | | | | | | 5 016 |
| Programme 3 | 2 943 | | | | | | | 2 943 |
| EPWP | 2 943 | | | | | | | 2 943 |
| Total changes in conditional grants | 143 531 | | 1 791 | | | | 1 791 | 145 322 |

Rollover national: R1.8 million

The department receives an approved rollover amount of R1.8 million for Comprehensive Agricultural Support Programme grant (CASP) to cover expenditure relating to the procurement of laptops, screens, rugged device and protective clothing for agricultural extension officers.

5.3. Changes to Infrastructure

Please refer to 2021 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 12

DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

| R thousand | 2021/22 | | | |
|------------------------------|--|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 1 066 393 | 1 025 853 | (40 540) | |
| of which: | | | | |
| Current payments | 670 450 | 644 774 | (25 676) | |
| Transfers and subsidies | 345 421 | 328 720 | (16 701) | |
| Payments for capital assets | 50 522 | 52 359 | | 1 837 |
| Payment for financial assets | | | | |
| Executive authority | MEC for Sport, Arts Culture and Recreation | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission

Vision

"An active, creative and modernized Gauteng City Region contributing to sustainable economic growth and social cohesion."

Mission

In pursuit of the above vision, the Department of Sport, Arts, Culture and Recreation (DSACR) will work interactively to create an enabling environment towards radical economic and accelerated social transformation for sporting, artistic, and cultural excellence through:

- Facilitating talent identification and development in partnership with key stakeholders;
- Positioning the business of sport and creative industries as catalysts for sustainable economic growth;
- Modernization of the economy through the bidding and hosting of major sporting and cultural events; and
- Providing universal access to sport, arts, cultural activities, library, archival services and facilities and identifying, promoting and preserving heritage.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 12.1 DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|----------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Administration | 165 883 | (5 000) | | 1 315 | | | (3 685) | 162 198 |
| 2. Cultural Affairs | 233 278 | (12 195) | | (1 790) | | | (13 985) | 219 293 |
| 3. Library and Archives Services | 320 024 | (10 615) | 1 087 | (400) | | | (9 928) | 310 096 |
| 4. Sport and Recreation | 347 208 | (14 625) | 808 | 875 | | | (12 942) | 334 266 |
| Total for Programmes | 1 066 393 | (42 435) | 1 895 | | | | (40 540) | 1 025 853 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 670 450 | (31 390) | 808 | 4 906 | | | (25 676) | 644 774 |
| Compensation of employees | 327 240 | (19 881) | | (18 063) | | | (37 944) | 289 296 |
| Salaries & wages | 279 646 | (17 701) | | (15 253) | | | (32 954) | 246 692 |
| Social contribution | 47 594 | (2 180) | | (2 810) | | | (4 990) | 42 604 |
| Goods and services | 343 210 | (11 509) | 808 | 22 961 | | | 12 260 | 355 470 |
| Interest and rent on land | | | | 8 | | | 8 | 8 |
| Transfers and subsidies | 345 421 | (5 200) | | (11 501) | | | (16 701) | 328 720 |
| Provinces and municipalities | 205 815 | | | (7 297) | | | (7 297) | 198 518 |
| Departmental agencies and accounts | 38 691 | | | | | | | 38 691 |
| Non-profit institutions | 98 155 | (5 200) | | (8 150) | | | (13 350) | 84 805 |
| Households | 2 760 | | | 3 946 | | | 3 946 | 6 706 |
| Payments for capital assets | 50 522 | (5 845) | 1 087 | 6 595 | | | 1 837 | 52 359 |
| Buildings and other fixed structures | 17 397 | | 1 087 | 18 163 | | | 19 250 | 36 647 |
| Machinery and equipment | 18 075 | | | (2 689) | | | (2 689) | 15 386 |
| Heritage assets | 13 500 | (5 595) | | (7 905) | | | (13 500) | |
| Software and other intangible assets | 1 550 | (250) | | (974) | | | (1 224) | 326 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 1 066 393 | (42 435) | 1 895 | | | | (40 540) | 1 025 853 |

The budget of the department is adjusted to appropriate roll-overs, surrenders and the reprioritisation of budget between and within programmes and items. The appropriation is adjusted downward by a net amount of R40.5 million from a budget of R1.066 billion to an adjusted appropriation of R1.025 billion. This net amount comprises of a surrender of R42.4 million to the Provincial Revenue Fund and conditional grant roll-overs of R1.9 million approved from national.

Of the total amount of R42.4 million surrendered, a total R19.9 million is from the budget allocated to compensation of employees which is surrendered due to delays in filling vacant posts within the department and the within the Provincial Archives Centre. Furthermore, a total of R11.5 million is surrendered from goods and services of which R6.7 million is from the Tri-colour Games which was postponed by the organisers, R2.6 million is from the Sport Awards, R115 000 from the Nelson Mandela Remembrance Walk, R1.5 million from the Premier's Social Cohesion Integrated Holiday Programme all of which were down-scaled due to the restrictions as a result of the COVID-19 regulations, and R584 000 is from the Provincial Archives Centre which is surrendered due to delays in operationalising archives centre. Furthermore, R5.2 million is surrendered from transfers due to delays in bidding for and hosting of major sporting and cultural events in the province and R5.8 million is from payments for capital assets which is surrendered since heritage assets and ICT infrastructure could not be installed at the monuments and the community libraries respectively.

The budget is also reprioritised within the department by reducing funds from areas that are spending slow amidst the COVID-19 pandemic and other factors and upscaling departmental priorities. The personnel budget decreases further by R18.1 million due to delays in the filling of vacant posts. For goods and services, the budget increases with a total amount of R22.9 million to cater for amongst others, the installation of statues and plaques, the declaration of economical viable routes in Heritage services, Creative Arts and Culture programmes, the enhancement of health and wellness of Gauteng citizens through the Hanyani Wellness project, the enhancement of reading programs within community libraries, E-Britannica

inductions and the provision of virtual access to library resources to communities. Buildings and other fixed structures increase by R18.2 million to make provision for the finalisation of the construction work at the Women’s Living Heritage Monument and at the 5 combi courts. Other projects funded through this allocation includes the demolition of HM Pitje stadium, and the completion of three community libraries.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 12.2: PROGRAMME 1: ADMINISTRATION

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Office of the MEC | 13 135 | | | | | | | 13 135 |
| 2. Corporate Services | 152 748 | (5 000) | | 1 315 | | | (3 685) | 149 063 |
| Total for Programmes | 165 883 | (5 000) | | 1 315 | | | (3 685) | 162 198 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 157 345 | (5 000) | | 447 | | | (4 553) | 152 792 |
| Compensation of employees | 112 014 | (5 000) | | (1 381) | | | (6 381) | 105 633 |
| Salaries & wages | 95 154 | (5 000) | | (1 381) | | | (6 381) | 88 773 |
| Social contribution | 16 860 | | | | | | | 16 860 |
| Goods and services | 45 331 | | | 1 828 | | | 1 828 | 47 159 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 2 060 | | | 1 286 | | | 1 286 | 3 346 |
| Provinces and municipalities | | | | | | | | |
| Households | 2 060 | | | 1 286 | | | 1 286 | 3 346 |
| Payments for capital assets | 6 478 | | | (418) | | | (418) | 6 060 |
| Machinery and equipment | 6 478 | | | (744) | | | (744) | 5 734 |
| Software and other intangible assets | | | | 326 | | | 326 | 326 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 165 883 | (5 000) | | 1 315 | | | (3 685) | 162 198 |

TABLE 12.3 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|---------|--|-------|
| Current payments | | (6 817) | | 7 264 |
| Compensation of employees | Budget is reprioritised to due to a delay in the filling of vacant posts. | (1 381) | | |
| Goods and services | Funds reprioritised as items are adequately funded and the COVID-19 restrictions prevents expenditure on certain items. | (5 436) | Provision for sanitizing and deep cleaning of all office buildings. Additional budget allocated for leasing of photocopy machines since a price increase is anticipated due to the change in the transversal contract. Provision for bursaries awarded to staff since the department will start paying for bursaries in the last quarter of the financial cycle, which is the beginning of the academic year. Funds are also reclassified due to departmental migration from Telkom to SITA. | 7 264 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 1 286 |
| Households | | | Provision for the payment of leave gratuity to officials who retire or resign and for claims against the state as per the court instruction. | 1 286 |
| Payments for capital assets | | (744) | | 326 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | Decrease in costs on hardware due to IT migration from Telkom to SITA. | (744) | | |
| Software and other intangible assets | | | Provision for an accrual related to the purchase of software in the previous year. | 326 |
| Payments for financial assets | | | | |
| Total economic classification | | (7 561) | | 8 876 |

Function Shifts, Surrenders and Suspensions: R5 million

An amount of R5 million is surrendered from the item, compensation of employees due to the slow progress made in filling vacant posts including the recruitment of the relevant professional staff in the built environment.

Virements and shifts

The programme receives R1.3 million to make provision for claims against the state as per the court order and instruction and paying for bursaries in the last quarter of the financial cycle, which is the beginning of the new academic year.

An amount of R5.4 million is shifted within the programme to make provision for migrating telecommunication services and for the payment of the leave gratuity and claims against the state. Furthermore, provision is made for bursaries awarded to staff and for sanitising and deep cleaning office buildings.

Programme 2: Cultural Affairs

TABLE 12.4: PROGRAMME 2: CULTURAL AFFAIRS

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Management | 8 404 | | | | | | 8 404 | |
| 2. Arts & Culture | 153 429 | (2 000) | | 610 | | (1 390) | 152 039 | |
| 3. Heritage Resource Services | 66 253 | (7 195) | | (2 400) | | (9 595) | 56 658 | |
| 4. Language Services | 5 192 | (3 000) | | | | (3 000) | 2 192 | |
| Total for Programmes | 233 278 | (12 195) | | (1 790) | | (13 985) | 219 293 | |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 163 516 | (6 600) | | (3 348) | | (9 948) | 153 568 | |
| Compensation of employees | 60 826 | (5 100) | | (2 793) | | (7 893) | 52 933 | |

| | | | | | | |
|--------------------------------------|----------------|-----------------|----------------|--|-----------------|----------------|
| Salaries & wages | 52 450 | (3 320) | (2 793) | | (6 113) | 46 337 |
| Social contribution | 8 376 | (1 780) | | | (1 780) | 6 596 |
| Goods and services | 102 690 | (1 500) | (561) | | (2 061) | 100 629 |
| Interest and rent on land | | | 6 | | 6 | 6 |
| Transfers and subsidies | 51 484 | | 7 529 | | 7 529 | 59 013 |
| Provinces and municipalities | 2 793 | | | | | 2 793 |
| Departmental agencies and accounts | 38 691 | | | | | 38 691 |
| Non-profit institutions | 10 000 | | 6 500 | | 6 500 | 16 500 |
| Households | | | 1 029 | | 1 029 | 1 029 |
| Payments for capital assets | 18 278 | (5 595) | (5 971) | | (11 566) | 6 712 |
| Buildings and other fixed structures | 50 | | 1 950 | | 1 950 | 2 000 |
| Machinery and equipment | 4 728 | | (16) | | (16) | 4 712 |
| Heritage assets | 13 500 | (5 595) | (7 905) | | (13 500) | |
| Payments for financial assets | | | | | | |
| Total economic classification | 233 278 | (12 195) | (1 790) | | (13 985) | 219 293 |

TABLE 12.5 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: CULTURAL AFFAIRS

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|-----------------|--|---------------|
| Current payments | | (27 390) | | 24 042 |
| Compensation of employees | Budget is reprioritised to due to a delay in the filling of vacant posts. | (2 793) | | |
| Goods and services | Funds shifted due to the restrictions on hosting of public events and the number of attendees allowed to gather in communities. Cancellation of membership subscription fees and voluntary workers due to the COVID-19 pandemic. Training was done virtually, and less travelling and subsistence claims was paid to staff due to the COVID-19 regulations. Savings realised due to the restrictions put in place by the Gauteng Department of Education at schools which prohibited interactive cultural activities and public events. | (24 597) | Provision for the installation of statues plaques and the declaration of economical viable routes in Heritage services. Additional funding required for the PHRA-G and GGNC committees, and Geographical Names Council board members. Increased need for minor assets in the corridor offices. Additional leases for copiers required for clusters and for office space. Increased property payments at the corridors and at the Women Living Heritage Monument. | 24 036 |
| Interest and rent on land | | | Provision for interest charged due to late payments to the municipalities | 6 |
| Transfers and subsidies | | | | 7 529 |
| Provinces and municipalities | | | | |
| Non-profit institutions | | | Increased financial support of significant and local community events in the arts and culture sector | 6 500 |
| Households | | | Provision for payment of leave gratuity for officials who retire or resign, and payment of an accrual in relation to the relief funds paid in the previous year | 1 029 |
| Payments for capital assets | | (8 029) | | 2 058 |
| Buildings and other fixed structures | | | Finalisation of construction at the Women's Living Heritage Monument | 1 950 |
| Machinery and equipment | Reprioritisation of funds within the programme as the item is adequately funded | (124) | Increase on mainframe costs at Women Living Heritage Monument | 108 |
| Heritage assets | Delays in procurement of statues for Heritage Services. Statues will be hired. | (7 905) | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (35 419) | | 33 629 |

Function shifts, Suspensions, and Surrenders: R12.2 million

The amount of R12.2 million is surrendered from the programme of which R5.1 million is due to the slow progress made in filling vacant posts, R5.6 million is due to the slow progress in fully operationalising the Kagiso Memorial and the Women's

Living Heritage Monument and R1.5 million is due to the impact of COVID-19 regulations on the Premier's Social Cohesion Integrated Holiday Programmes which restricted and affected implementation of the contact activities.

Virements and shifts

The programme releases R1.8 million through a virement to make provision for increase in financial support of significant and local community events in the arts and culture sector.

A total amount of R6.5 million is shifted to non-profit institutions of which R4 million is for the provision of financial support or Grant-in-Aid offered to significant and local community events in the arts and culture sector. The remaining R2.5 million is for the department to enter into a memorandum of understanding with the Arts and Culture academies to determine how the funds will be utilised in line with the relevant roles and responsibilities.

Funds amounting to R24 million shifts within goods and services to make provision for Creative Arts and Culture programmes and for the installation of statues plaques and the declaration of economical viable routes in Heritage services. Provision is also made for the Provincial Heritage Resource Agency of Gauteng (PHRA-G) and Gauteng Geographical Names Council (GGNC) committees, the Geographical Names Council board members and minor assets that are required at the corridor offices. Provision is also made for additional photocopiers required at the clusters, for leasing office space and for the increase in expenditure on property at the corridors and at the Women's Living Heritage Monument.

An amount of R1.9 million is shifted to buildings and other fixed structures for the final account and completion of the Women's Living Heritage Monument to ensure compliance with occupation health and safety regulations for the building.

Programme 3: Library and Archives Services

TABLE 12.6: PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Management | 8 034 | | | | | | | 8 034 |
| 2. Library Services | 277 043 | | 1 087 | 6 100 | | | 7 187 | 284 230 |
| 3. Archives | 34 947 | (10 615) | | (6 500) | | | (17 115) | 17 832 |
| Total for Programmes | 320 024 | (10 615) | 1 087 | (400) | | | (9 928) | 310 096 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|--------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 95 283 | (10 365) | | 6 737 | | | (3 628) | 91 655 |
| Compensation of employees | 44 337 | (9 781) | | (4 758) | | | (14 539) | 29 798 |
| Salaries & wages | 40 526 | (9 381) | | (4 748) | | | (14 129) | 26 397 |
| Social contribution | 3 811 | (400) | | (10) | | | (410) | 3 401 |
| Goods and services | 50 946 | (584) | | 11 493 | | | 10 909 | 61 855 |
| Interest and rent on land | | | | 2 | | | 2 | 2 |
| Transfers and subsidies | 206 922 | | | (5 297) | | | (5 297) | 201 625 |
| Provinces and municipalities | 203 022 | | | (7 297) | | | (7 297) | 195 725 |
| Non-profit institutions | 3 200 | | | 1 500 | | | 1 500 | 4 700 |
| Households | 700 | | | 500 | | | 500 | 1 200 |
| Payments for capital assets | 17 819 | (250) | 1 087 | (1 840) | | | (1 003) | 16 816 |
| Buildings and other fixed structures | 14 979 | | 1 087 | (400) | | | 687 | 15 666 |
| Machinery and equipment | 1 290 | | | (140) | | | (140) | 1 150 |
| Software and other intangible assets | 1 550 | (250) | | (1 300) | | | (1 550) | |
| Total economic classification | 320 024 | (10 615) | 1 087 | (400) | | | (9 928) | 310 096 |

TABLE 12.7 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|---|----------|---|--------|
| Current payments | | (16 230) | | 22 967 |
| Compensation of employees | Budget is reprioritised to due to a delay in the filling of vacant posts. | (4 758) | | |
| Goods and services | Funds shifted due to the restrictions on hosting of public events and the number of attendees allowed to gather in communities. | (11 472) | Provision for maintenance of libraries, additional security at community libraries and the distribution of inventory in community | 22 965 |

| | | | | |
|--------------------------------------|--|-----------------|---|---------------|
| Interest and rent on land | Less travelling and subsistence claims of staff from library services due to the COVID-19 regulations. Due to cancellation of events at the archives and in conditional grants, contractors were not required. | | libraries. Provision is also made for the implementation of reading programmes running at the community libraries. Provision for the promotional items for the Archives programmes. Provision for the subscription fees of the e-books in the community libraries. Defrayment of excess expenditure incurred on interest due to late payments to the municipalities. | 2 |
| Transfers and subsidies | | (7 297) | | 2 000 |
| Provinces and municipalities | Reduced transfers as the department have offset unspent transfers from previous year, and funds to be utilised to pay on behalf of municipalities. | (7 297) | Increased financial support of organisations implementing reading programme. Provision for the payment of leave gratuity for officials who retire or resign. | 1 500 |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | (1 890) | | 50 |
| Buildings and other fixed structures | Provision for other projects within the infrastructure portfolio in different programmes. | (400) | | |
| Machinery and equipment | Budget is reprioritized within the programme because this item is adequately funded. | (190) | Additional equipment needed at community libraries | 50 |
| Software and other intangible assets | Cancellation of the procurement of e-books for the current financial year due to delay in Press Reader tender. | (1 300) | | |
| Payments for financial assets | | | | |
| Total economic classification | | (25 417) | | 25 017 |

Function Shifts, Suspensions and Surrenders: R10.6 million

The total amount of R10.6 million is surrendered of which R10.3 million is from Provincial Archive Centre due to the slow progress in fully operationalising the Centre by filling vacant positions and R250 000 is from community libraries due to non-installation of ICT infrastructure at the facility.

Roll-overs: National R1.1 million

An amount of R1.1 million is rolled over on the Community Library Services grant to perform construction work on the Akasia Community Library. The project is at 96 per cent completion and the City of Tshwane has requested additional construction work to be done on this library.

Virements and shifts

The programme shifts R400 000 to Programme 4: Sport and Recreation to cater for the planning of the demolition of the HM Pitje stadium.

An amount of R 11.5 million has been reclassified within the programme, to make provision for the operationalisation of both the community libraries that are still be handed over to the municipalities and the Provincial Archive Centre. Funds are also allocated to community libraries for the enhancement of reading programs, E-Britannica inductions, virtual access to library resources, and to provide librarianship bursaries to empower the youth and create jobs. The department will be procuring goods and services on behalf of the municipalities using some of the funds which were reclassified from transfers and subsidies.

Programme 4: Sport and Recreation

TABLE 12.8: PROGRAMME 4: SPORT AND RECREATION

| Programmes | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| 1. Management | 11 657 | | | (435) | | | (435) | 11 222 |
| 2. Sport | 147 320 | (14 625) | 472 | (12 548) | | | (26 701) | 120 619 |
| 3. Recreation | 120 991 | | 336 | 19 058 | | | 19 394 | 140 385 |
| 4. School Sport | 67 240 | | | (5 200) | | | (5 200) | 62 040 |
| Total for Programmes | 347 208 | (14 625) | 808 | 875 | | | (12 942) | 334 266 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 254 306 | (9 425) | 808 | 1 070 | | | (7 547) | 246 759 |
| Compensation of employees | 110 063 | | | (9 131) | | | (9 131) | 100 932 |
| Salaries & wages | 91 516 | | | (6 331) | | | (6 331) | 85 185 |
| Social contribution | 18 547 | | | (2 800) | | | (2 800) | 15 747 |
| Goods and services | 144 243 | (9 425) | 808 | 10 201 | | | 1 584 | 145 827 |
| Transfers and subsidies | 84 955 | (5 200) | | (15 019) | | | (20 219) | 64 736 |
| Provinces and municipalities | | | | | | | | |
| Non-profit institutions | 84 955 | (5 200) | | (16 150) | | | (21 350) | 63 605 |
| Households | | | | 1 131 | | | 1 131 | 1 131 |
| Payments for capital assets | 7 947 | | | 14 824 | | | 14 824 | 22 771 |
| Buildings and other fixed structures | 2 368 | | | 16 613 | | | 16 613 | 18 981 |
| Machinery and equipment | 5 579 | | | (1 789) | | | (1 789) | 3 790 |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 347 208 | (14 625) | 808 | 875 | | | (12 942) | 334 266 |

TABLE 12.9 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: SPORT AND RECREATION

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------|---|--------|
| Current payments | | (18 390) | | 19 460 |
| Compensation of employees | Budget is reprioritised due to a delay in the filling of vacant posts. | (9 131) | | |
| Goods and services | Funds shifted due to reduction on the hosting of public of events and the number of attendees allowed to gather in communities. Less travelling and subsistence claims paid to Sport and Recreation staff due to the COVID-19 regulations. | (9 259) | Provision for sporting equipment and attire and for the hosting of the Hanyani Wellness programme. Provision made for the hosting of programmes since the country is currently on the lockdown level 1. Provision for the development of the Gauteng Soccer Museum. Provisions for COVID -19 packs required to implement programmes. Provision to host e-learning training for non-employees e.g., teachers and club coaches. | 19 460 |
| Transfers and subsidies | | (16 150) | | 1 131 |
| Provinces and municipalities | | | | |
| Non-profit institutions | Funds are being reprioritised because payments will now be done through the normal PO system and no longer through sundry in order for the department to procure on behalf of Academics instead of transferring funds to them. Funds are also reprioritised to increase financial support provided to organisations through Grant-in-Aid in the Arts and Culture sector. | (16 150) | | |
| Households | | | Provision for payment of leave gratuity for officials who retire or resign. | 1 131 |
| Payments for capital assets | | (1 827) | | 16 651 |
| Buildings and other fixed structures | | | Funds needed for the 5 combi courts. Provision is made for the demolition of the HM Pitje stadium. | 16 613 |

| Economic classification | Motivation | From | Motivation | To |
|-------------------------------|--|----------|---|--------|
| Machinery and equipment | Budget is reprioritized within the programme because this item is adequately funded. | (1 827) | Funds needed for furniture bought in 2020/21 which as delivered after the financial year. | 38 |
| Payments for financial assets | | | | |
| Total economic classification | | (36 367) | | 37 242 |

Function Shifts, Suspensions and Surrenders: R14.6 million

A total amount of R14.6 million is surrendered of which R6.7 is from the Tri-colour Games which is postponed to the next financial year, R2.6 million is from the Sport Awards and R115 000 is from the Nelson Mandela Remembrance Walk as these were down scaled due to the COVID-19 regulations and R5.2 million from the budget allocated for bidding for and hosting major events which was delayed.

Roll-over: R808 000

An amount of R808 000 is rolled over on the Mass Sport and Recreation Participation Programme conditional grant from national to fund accruals on the acquisition of sporting equipment and attire for club development and training for the Siyadlala community programmes.

Virements and shifts

An amount of R875 000 is received in the programme for to cater for the demolition of the HM Pitje stadium.

Reclassification from transfers to goods and services in Club Development and reprioritization of funds within goods and services for the OR Tambo Soncini Games, Community games and Premier's Social Cohesion Games. Provision is also made in goods and services for the enhancement of health and wellness of Gauteng citizens through the Hanyani Wellness project.

A total amount R16.6 million is for building and other infrastructures including the 5 Combi Courts and the demolition of the HM Pitje stadium.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 12.10: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22: SPORT, ARTS, CULTURE AND RECREATION

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--------------------------------------|--------------------------------|----------------------|---------------------|--|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 160 609 | 65 917 | 140 737 | 88% | 162 198 | 66 762 | 1% |
| 2. Cultural Affairs | 222 856 | 64 152 | 161 934 | 73% | 219 293 | 66 916 | 4% |
| 3. Library and Information Services | 265 133 | 150 325 | 227 464 | 86% | 310 096 | 191 013 | 27% |
| 4. Sport and Recreation | 228 914 | 53 678 | 186 840 | 82% | 334 266 | 56 838 | 6% |
| Total | 877 512 | 334 072 | 716 975 | 82% | 1 025 853 | 381 529 | 14% |
| Current payments | 522 221 | 171 295 | 388 430 | 74% | 644 774 | 181 686 | 37% |
| Compensation of employees | 277 751 | 132 908 | 265 073 | 95% | 289 296 | 127 583 | (4)% |
| Goods and Services | 244 465 | 38 361 | 123 348 | 50% | 355 470 | 54 097 | 41% |
| Interest and rent on land | 5 | 26 | 9 | | 8 | 6 | |
| Transfers and subsidies | 313 637 | 154 849 | 308 131 | 98% | 328 720 | 189 770 | 1521% |
| Provinces and municipalities | 168 454 | 130 770 | 167 954 | 100% | 198 518 | 160 224 | 23% |
| Departmental agencies and accounts | 38 469 | 19 794 | 38 469 | 100% | 38 691 | 19 345 | (2)% |
| Non-profit institutions | 103 467 | 3 953 | 72 188 | 70% | 84 805 | 4 971 | 26% |
| Households | 3 247 | 332 | 29 520 | 909% | 6 706 | 5 230 | 1475% |
| Payments for capital assets | 41 626 | 7 900 | 20 386 | 49% | 52 359 | 10 073 | 28% |
| Buildings and other fixed structures | 21 769 | 3 673 | 13 002 | 60% | 36 647 | 5 314 | 45% |
| Machinery and equipment | 18 968 | 4 227 | 7 384 | 39% | 15 386 | 4 433 | 5% |
| Heritage assets | | | | | | | |

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--------------------------------------|--------------------------------|----------------------|---------------------|---|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Software and other intangible assets | 889 | | | | 326 | 326 | |
| Payments for financial assets | 28 | 28 | 28 | | | | |
| Total | 877 512 | 334 072 | 716 975 | 82% | 1 025 853 | 381 529 | 14% |

Expenditure trends for 2020/21

The total expenditure as at the end of the 2020/21 financial year was at R716.9 million that translates to 82 per cent of the adjusted budget of R877.5 million.

Programme 1: Administration

The programme spent 88 per cent of the allocated budget. The underspending was mainly because of delays in the finalisation of the procurement process for tools of the trade for officials, the payment of employee's bursaries, the renewal of Microsoft licences and the non-filling of vacant posts.

Programme 2: Cultural Affairs

The Cultural Affairs programme spent R161.9 million, which is 73 per cent of the allocated budget. The underspending of 27 per cent due to the scaling down of public events due to the COVID-19 pandemic, and there were no heritage exhibitions at the Women's Living Heritage Monument and Kagiso Monument.

Programme 3: Library and Information Services

The programme underspent due to the delays in a transfer payment to non-profit organizations supporting reading programmes since organizations were not registered on the Central Supplier Database. There was also a high vacancy rate on conditional grant posts and delays in completion of infrastructure projects as result of COVID-19 restrictions.

Programme 4: Sport and Recreation

The programme underspent by R42.1 million which is 18 per cent of the adjusted appropriation. Underspending is mainly attributable to COVID-19 restrictions that has resulted in the scaling down of major departmental activities, delays in the completion of infrastructure projects and departmental activities conducted virtually to comply with non-pharmaceutical COVID-19 measures. Transfer payments to Athletics Gauteng North was not concluded due to non-compliance by the Sport Federation. A high number of Gauteng Relief Fund applicants who could not benefit from the fund due to non-compliance to minimum requirements and high vacancy rate has also contributed to the underspending.

Expenditure trends for the first half of 2021

The total departmental expenditure at the end of September 2021 is R381 million representing 37 per cent of the adjusted budget. The slow spending is due to the impact of the COVID-19 lockdown regulations on the implementation of programmes and the delays in the appointment of personnel.

Programme 1: Administration

The total expenditure as at the end of September 2021 amounts to R66.7 million which is 1 per cent more than the comparative figure from the 2020/21 financial year.

Programme 2: Cultural Affairs

The department spent a total of R66.9 million at the end of September 2021/22 which is 4 per cent more when compared to the same period in the 2020/21 financial year. The slow spending is due to the delays in operationalisation of both Kagiso Memorial and the Women's Living Heritage Monuments. Furthermore, the National Department of Basic Education suspended the all-extra curricula activities in school, and they resumed on the 29 August 2021.

Programme 3: Library and Information Services

The total expenditure as at the end of September 2021 is R191 million which 27 per cent more when compared to the same period in the 2020/21 financial year. The accelerated spending is due to the operationalisation of community libraries including the transfers to municipalities.

Programme 4: Sport and Recreation

The total expenditure for the first half of 2021/22 is R56.8 million which is lower by 6 per cent when compared to the same period in the 2020/21 financial year. This is due the increase in activities due to relaxation of lockdown regulations such as sporting codes and recreational programmes.

6. Departmental Receipts

TABLE 12.11: DEPARTMENTAL RECEIPTS

| Department | 2020/21 Audited Outcome | | | | 2021/22 Preliminary Receipts | | |
|---|----------------------------|----------------------|---------------------|---|---------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 324 | 156 | 308 | (4.9)% | 335 | 181 | 54.03% |
| Interest, dividends and rent on land | 15 | | | (100.0)% | 16 | | 0.00% |
| Sales of capital assets | | | | 0.0% | | | 0.00% |
| Financial transactions in assets and liabilities | 17 | | | (100.0)% | 642 | 622 | 96.88% |
| Total | 356 | 156 | 308 | (13.5)% | 993 | 803 | 414.74% |

Revenue trends for the first half of the 2021/22 financial year

The department's revenue adjusted appropriation for the 2021/22 financial year amounts to R993 000. As at the end of September 2021, the department recorded R803 000 as actual revenue collected. This is more than the collection of R158 000 for the same period in the 2020/21 financial year and is due to an increase in revenue from salary reversals of retired officials' and the disposal of some of the obsolete office furniture and equipment. This source of revenue cannot be estimated realistically as it is dependent on amongst other factors, the recovery of the previous years' expenditure.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

TABLE 12.12: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 1 | 2 060 | | | 1 286 | | | 1 286 | 3 346 |
| Households | 2 060 | | | 1 286 | | | 1 286 | 3 346 |
| Programme 2 | 51 484 | | | 7 529 | | | 7 529 | 59 013 |
| Provinces and municipalities | 2 793 | | | | | | | 2 793 |
| Departmental agencies and accounts | 38 691 | | | | | | | 38 691 |
| Non-profit institutions | 10 000 | | | 6 500 | | | 6 500 | 16 500 |
| Households | | | | 1 029 | | | 1 029 | 1 029 |
| Programme 3 | 206 922 | | | (5 297) | | | (5 297) | 201 625 |
| Provinces and municipalities | 203 022 | | | (7 297) | | | (7 297) | 195 725 |
| Non-profit institutions | 3 200 | | | 1 500 | | | 1 500 | 4 700 |
| Households | 700 | | | 500 | | | 500 | 1 200 |
| Programme 4 | 84 955 | (5 200) | | (15 019) | | | (20 219) | 64 736 |
| Non-profit institutions | 84 955 | (5 200) | | (16 150) | | | (21 350) | 63 605 |
| Households | | | | 1 131 | | | 1 131 | 1 131 |
| Total changes in conditional Name of transfer payments | 345 421 | (5 200) | | (11 501) | | | (16 701) | 328 720 |

Function Shifts, Suspensions and Surrenders: R5.2 million

An amount of R5.2 million is surrendered from transfers due to delays in bidding for and hosting major events.

Virements and shifts

An amount of R1.2 million is shifted to households in Programme 1: Administration, to defray excess expenditure incurred on the payment of leave gratuity and claims against the state.

An amount of R7.5 million is shifted to transfers in Programme 2: Cultural Affairs, of which R1 million is to defray excess expenditure incurred on the payment of leave gratuity and settle an accrual emanating from the Gauteng Relief Fund. The remaining amount of R6.5 million is for Grant-in-Aid the arts and culture academies.

In Programme 3: Library and Archive Services, an amount of R7.2 million is reprioritised from transfers to municipalities for the procurement of goods and services on behalf of the community libraries, R1.5 million shifts to non-profit institutions to fund reading programmes and R500 000 to shifts to households for bursaries awarded to non-employees.

An amount of R16.2 million is shifted from non-profit institutions because payments will now be done through the normal PO system and no longer through sundry in order for the department to procure on behalf of Academics instead of transferring funds to them. Funds are also reprioritised to increase financial support provided to organisations through Grant-in-Aid in the Arts and Culture sector. An amount of R1.1 million shifts to households to provide for the payment of leave gratuity to ex-employees.

Changes to conditional grants

TABLE 12.13: SUMMARY OF CHANGES TO CONDITIONAL GRANTS

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Programme 2 | 1 960 | | | | | | | 1 960 |
| EPWP Integrated Grant | 1 960 | | | | | | | 1 960 |
| Programme 3 | 167 899 | | 1 087 | | | | 1 087 | 168 986 |
| Community Library Services Grant | 167 899 | | 1 087 | | | | 1 087 | 168 986 |
| Programme 4 | 103 457 | | 808 | | | | 808 | 104 265 |
| Mass Sport and Recreation Participation Programme Grant | 102 018 | | 808 | | | | 808 | 102 826 |
| Rec - Epwp Grant | 1 439 | | | | | | | 1 439 |
| Total changes in conditional grants | 273 316 | | 1 895 | | | | 1 895 | 275 211 |

Roll-overs: National R1.9 million

Mass Sport and Recreation Participation Programme Grant received a roll-over of R808 000 from the preceding financial year to fund the acquisition of equipment and attire for the club development and training for Siyadlala community programmes.

Community Library Services Grant received a roll-over of R1.1 from the preceding financial year to fund an accrual of the Akasia Community Library.

Changes to infrastructure

Refer to the 2021 Adjusted Estimates of Capital Expenditure (AECE)

VOTE 13

DEPARTMENT OF e-GOVERNMENT

| R thousand | 2021/22 | | | |
|------------------------------|--------------------|------------------------|----------|----------|
| | Main appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 1 404 533 | 1 538 942 | | 134 409 |
| of which: | | | | |
| Current payments | 1 381 023 | 1 512 811 | | 131 788 |
| Transfers and subsidies | 23 510 | 24 102 | | 592 |
| Payments for capital assets | | 2 029 | | 2 029 |
| Payment for financial assets | | | | |
| Executive authority: | MEC for Finance | | | |
| Accounting officer: | Head of Department | | | |

1. Vision and Mission

Vision

A smart Gauteng City Region that provides efficient quality services to citizens.

Mission

To modernise government services and foster the implementation of a citizen centric innovation ecosystem that stimulates sustainable economic growth through transformative fourth industrial revolution technologies.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 13.1: DEPARTMENT OF e-GOVERNMENT

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 267 584 | | 15 040 | (110) | | | 14 930 | 282 514 |
| 2. Information Communication Technology Shared Services | 1 011 489 | | 40 169 | | | 79 200 | 119 369 | 1 130 858 |
| 3. Human Resource Services | 125 460 | | | 110 | | | 110 | 125 570 |
| Total for Programmes | 1 404 533 | | 55 209 | | | 79 200 | 134 409 | 1 538 942 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 1 381 023 | | 55 209 | (2 621) | | 79 200 | 131 788 | 1 512 811 |
| Compensation of employees | 488 596 | | | (7 318) | | | (7 318) | 481 278 |
| Salaries & wages | 427 328 | | | (7 480) | | | (7 480) | 419 848 |
| Social contribution | 61 268 | | | 162 | | | 162 | 61 430 |
| Goods and services | 892 427 | | 55 209 | 4 697 | | 79 200 | 139 106 | 1 031 533 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 23 510 | | | 592 | | | 592 | 24 102 |
| Provinces and municipalities | | | | | | | | |
| Higher education institutions | 22 800 | | | | | | | 22 800 |
| Households | 710 | | | 592 | | | 592 | 1 302 |
| Payments for capital assets | | | | 2 029 | | | 2 029 | 2 029 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | 1 743 | | | 1 743 | 1 743 |
| Software and other intangible assets | | | | 286 | | | 286 | 286 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 1 404 533 | | 55 209 | | | 79 200 | 134 409 | 1 538 942 |

The department's total appropriation increases by R134.4 million from R1.4 billion to R1.5 billion during the adjustments budget process in 2021/22. The R134.4 million is made up of a rollover of R55.2 million for various projects and R79.2 million provincial additional funding re-appropriated for the provincial SAP licences and Enterprise Support.

The R55.2 million rollover of unspent funds from the 2020/21 financial year is for the completion and settlement of the following projects:

- Gauteng Broadband Network – R29.2 million
- Fully Managed Data Centre – R 10.9 million
- Laptops – R11.2 million
- Record Management Centre Exit Plan – R3.8 million.

The budget for compensation of employees reduces by R7.3 million, of which R6.7 million was a provision for the GBN project management costs. Project managers left the department and the function is undertaken internally within the ICT Shared Services Programme. R592 000 is shifted to cater for leave gratuity payments and injury-on-duty claims under transfers and subsidies.

The department reallocates R2 million from goods and services to payments for capital assets to fund expenditure relating to software and other intangible assets as well as machinery and equipment.

4. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 13.2: PROGRAMME ADMINISTRATION

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office Of The HOD | 10 299 | | | | | | | 10 299 |
| 2. Risk Management | 4 628 | | | | | | | 4 628 |
| 3. Office Of The CFO | 70 790 | | 11 200 | 4 035 | | | 15 235 | 86 025 |
| 4. Corporate Services | 181 867 | | 3 840 | (4 145) | | | (305) | 181 562 |
| Total for Programmes | 267 584 | | 15 040 | (110) | | | 14 930 | 282 514 |

| Economic classification R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 266 874 | | 15 040 | (982) | | | 14 058 | 280 932 |
| Compensation of employees | 169 234 | | | | | | | 169 234 |
| Salaries & wages | 147 047 | | | | | | | 147 047 |
| Social contribution | 22 187 | | | | | | | 22 187 |
| Goods and services | 97 640 | | 15 040 | (982) | | | 14 058 | 111 698 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 710 | | | | | | | 710 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Households | 710 | | | | | | | 710 |
| Payments for capital assets | | | | 872 | | | 872 | 872 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | 872 | | | 872 | 872 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 267 584 | | 15 040 | (110) | | | 14 930 | 282 514 |

TABLE 13.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|---|---|----------|---|--------|
| Current payments | | (27 555) | | 26 573 |
| Compensation of employees | Excess funds compared to the personnel requirements within the programme | (2 656) | Reallocation of funds as per the personnel requirements within the programme | 2 656 |
| Goods and services | Unutilised funds mainly for the Kopanong Precinct project, parking, building fumigation services and employee wellness programme. | (24 899) | Provision for the tools of trade purchase, probity audit, COVID-19 communication costs. | 23 917 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | (381) | | 381 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | Alignment of employee social benefits | (381) | Alignment of employee social benefits | 381 |
| Payments for capital assets | | | | 872 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Provision for Audio visual equipment and office furniture for the HOD. | 872 |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|------------|-----------------|------------|---------------|
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (27 936) | | 27 826 |

Roll-overs: R15 million

An amount of R15 million is an approved rollover for the following projects that commenced but were not completed during the 2020/21 financial year:

- Procurement of laptops – R11.2 million and
- Record Management Centre Exit Plan – R3.8 million.

Virements and Shifts

The programme reprioritizes funds to cater for department's tools of trade, probity audit, COVID-19 related expenditure and machinery & equipment in the Office of the CFO. R110 000 is a virement to Programme 3 to cater for the Thusong Service Centre lease.

Programme 2: ICT Shared Services

TABLE 13.4: PROGRAMME: ICT SHARED SERVICES

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Applications | 164 428 | | | 22 019 | | 79 200 | 101 219 | 265 647 |
| 2. Operations | 804 608 | | 40 169 | (21 857) | | | 18 312 | 822 920 |
| 3. Business Alignment | 39 220 | | | (162) | | | (162) | 39 058 |
| 4. Information Communication Technology Programme Support | 3 233 | | | | | | | 3 233 |
| Total for Programmes | 1 011 489 | | 40 169 | | | 79 200 | 119 369 | 1 130 858 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 988 689 | | 40 169 | (1 469) | | 79 200 | 117 900 | 1 106 589 |
| Compensation of employees | 194 545 | | | (7 038) | | | (7 038) | 187 507 |
| Salaries & wages | 174 175 | | | (7 148) | | | (7 148) | 167 027 |
| Social contribution | 20 370 | | | 110 | | | 110 | 20 480 |
| Goods and services | 794 144 | | 40 169 | 5 569 | | 79 200 | 124 938 | 919 082 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 22 800 | | | 312 | | | 312 | 23 112 |
| Higher education institutions | 22 800 | | | | | | | 22 800 |
| Households | | | | 312 | | | 312 | 312 |
| Payments for capital assets | | | | 1 157 | | | 1 157 | 1 157 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | 871 | | | 871 | 871 |
| Software and other intangible assets | | | | 286 | | | 286 | 286 |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 1 011 489 | | 40 169 | | | 79 200 | 119 369 | 1 130 858 |

TABLE 13.5: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: ICT SHARED SERVICES

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|---|----------|---|--------|
| Current payments | | (48 485) | | 47 016 |
| Compensation of employees | Reclassification of budget from GBN compensation to computer services and funding for leave gratuity payments | (7 148) | Alignment of compensation of employees budget within the business units | 110 |

| Economic classification | Motivation | From | Motivation | To |
|---|--|-----------------|---|---------------|
| Goods and services | Excess budget for software licences in computer services identified for reallocation to other sub-items in computer services | (41 337) | To fund email-as-a-service, common platform and BAS/ Persal. To provide for the streaming equipment. To reallocate compensation of employees to computer services for GBN | 46 906 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 312 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | To fund leave gratuity payments | 312 |
| Payments for capital assets | | | | 1 157 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Reclassification of GBN expenditure from current to capital expenditure. | 871 |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | Reclassification software licence expenditure from current to capital expenditure. | 286 |
| Payments for financial assets | | | | |
| Total economic classification | | (48 485) | | 48 485 |

Roll-overs: R40.1 million

The approved rollovers amounting to R40.1 million is for the projects shown below:

- Gauteng Broadband Network – R29.2 million and
- Fully Managed Data Centre – R10.9 million.

Virements and shifts

An amount of R6.7 million is shifted from compensation of employees to goods and services under Gauteng Broadband Network. The funds are reprioritised from the project management function under GBN as the function is reallocated within ICT Shared Services.

An amount of R311 913 is reallocated from compensation of employees to transfers and subsidies to cater for leave gratuity payments and injury-on-duty claims.

A reduction of R41.3 million in goods and services includes the reallocation of funds from software licences in computer services to another sub-item of computer services to align expenditure and budget for: “Email as a Service”, the Fully Managed Data Centre service costs and the Common Platform. Included in the reduction is an amount of R1.1 million, which is a reclassification of funds from computer services under goods and services to software and other intangible assets (R871 000) and machinery and equipment (R286 000) under payment for capital assets.

Roll-overs: R40.1 million

The approved rollovers amounting to R40.1 million is for the projects shown below:

- Gauteng Broadband Network – R29.2 million and
- Fully Managed Data Centre – R10.9 million.

Additional Funding: Provincial R79.2 million

An amount of R79.2 million is approved as a re-appropriation of funds for the SAP's Unlimited During Deployment (UDD) licenses and Enterprise Support

Programme 3: Human Resource Services**TABLE 13.6: PROGRAMME 3: HUMAN RESOURCE SERVICES**

| R thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. HR Chief Dir Support | 2 733 | | | | | | | 2 733 |
| 2. HR Administration Cluster 1 | 28 114 | | | | | | | 28 114 |
| 3. HR Administration Cluster 2 | 23 786 | | | 110 | | | 110 | 23 896 |
| 4. HR Information Management | 6 429 | | | | | | | 6 429 |
| 5. Payroll Services | 29 392 | | | | | | | 29 392 |
| 6. Debt Administration | 26 353 | | | | | | | 26 353 |
| 7. Injury On Duty | 8 653 | | | | | | | 8 653 |
| Total for Programmes | 125 460 | | | 110 | | | 110 | 125 570 |

| Economic classification | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| R thousand | | | | | | | | |
| Current payments | 125 460 | | | (170) | | | (170) | 125 290 |
| Compensation of employees | 124 817 | | | (280) | | | (280) | 124 537 |
| Salaries & wages | 106 106 | | | (332) | | | (332) | 105 774 |
| Social contribution | 18 711 | | | 52 | | | 52 | 18 763 |
| Goods and services | 643 | | | 110 | | | 110 | 753 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | | | | 280 | | | 280 | 280 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Households | | | | 280 | | | 280 | 280 |
| Payments for capital assets | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | | | | | | | | |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Thefts & Losses | | | | | | | | |
| Total economic classification | 125 460 | | | 110 | | | 110 | 125 570 |

TABLE 13.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: HUMAN RESOURCE SERVICES

| Economic classification | Motivation | From | Motivation | To |
|---|--|-------|---|------------|
| Current payments | | (569) | | 399 |
| Compensation of employees | Funds for vacant posts | (532) | Alignment of compensation of employees budget within the business unit | 252 |
| Goods and services | Fund shift to cater for the Thusong Service Centre lease | (37) | To provide for the lease payments and other operational costs of Thusong Service Centre | 147 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 280 |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|------------|--------------|---------------------------------|------------|
| Non-profit institutions | | | | |
| Households | | | To fund leave gratuity payments | 280 |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | | |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (569) | | 679 |

Virement and shifts

The Programme shifts an amount R280 000 from compensation of employees to transfers and subsidies to provide for:

- Leave gratuity payments amounting to R258 000 and
- Injury-on-duty claims amounting to R22 000.

An amount of R110 000 is shifted from Programme 1: Administration to cover the budget shortfall for the Thusong Service Centre operational costs, including the lease payments.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 13.8: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22: e-GOVERNMENT

| Department | 2020/21 | | | | 2021/22 | | |
|--------------------------------------|------------------------|----------------------|---------------------|--|-------------------------|----------------------|---------------------------------|
| | Expenditure Outcome | | | | Preliminary expenditure | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| 1. Administration | 239 056 | 94 753 | 188 604 | 79% | 282 514 | 98 808 | 4% |
| 2. ICT Shared Services | 1 023 010 | 440 149 | 875 082 | 86% | 1 130 858 | 490 883 | 12% |
| 3. Human Resource Services | 124 371 | 57 596 | 118 291 | 95% | 125 570 | 60 027 | 4% |
| Total | 1 386 437 | 592 498 | 1 181 977 | 85% | 1 538 942 | 649 718 | 10% |
| Current payments | 1 320 810 | 550 099 | 1 008 435 | 76% | 1 512 811 | 646 600 | 18% |
| Compensation of employees | 456 679 | 207 765 | 423 593 | 93% | 481 278 | 217 593 | 5% |
| Goods and Services | 864 131 | 342 334 | 584 842 | 68% | 1 031 533 | 429 007 | 25% |
| Interest and rent on land | | | | | | | |
| Transfers and subsidies | 24 124 | 896 | 25 691 | 106% | 24 102 | 1 107 | 24% |
| Provinces and municipalities | | | | | | | |
| Households | 1 324 | 896 | 2 891 | 218% | 1 302 | 1 107 | 24% |
| Payments for capital assets | 41 503 | 41 503 | 140 925 | 340% | 2 029 | 2 011 | (95)% |
| Buildings and other fixed structures | | | | | | | |
| Machinery and equipment | 543 | 543 | 49 641 | 9142% | 1 743 | 1 725 | 218% |
| Software and other intangible assets | 40 960 | 40 960 | 91 284 | 223% | 286 | 286 | |
| Payments for financial assets | | | 6 926 | | | | |
| Total | 1 386 437 | 592 498 | 1 181 977 | 85% | 1 538 942 | 649 718 | 10% |

Expenditure trends for 2020/21

The department spent a total amount of R1.2 billion or 84 per cent of their R1.4 billion adjusted budget in 2020/21 financial year. The major spending items were compensation of employees at 91 per cent and goods and services at 68 per cent. The underspending in compensation of employees was due to funded vacant posts at the end of the financial year.

The main reason for the underspending in goods and services was:

- Incomplete process of procuring tools of trade; the Department applied for the funds rollover.
- Incomplete tender processes for the refurbishment of 7th floor Imbumba House; the Department applied for the funds rollover.
- The lease contract for Records Management Centre was not renewed. The Department moved old records that were stored at the Records Management Centre building to the Provincial archives.
- The Department adopted free self-paced online training programmes from industry partners, primarily in response to the national lockdown period.
- One of the Department's parking sites contract expired and the procurement process was incomplete at financial year-end.
- Reduction on usage of municipal services during lockdown as most staff members were working from home.
- SITA experienced delays in invoicing for the Gauteng Broadband Network. The Department applied for the rollover of funds.
- Enterprise Support (SAP) new contract negotiations that are on-going and not yet finalised. The department applied for the reappropriation of funds.
- SITA Procurement process to procure an Endpoint Detection and Response (EDR) solution from SITA's framework agreements not finalised. SITA was still in the process of concluding the procurement.

Preliminary expenditure trends for the first half of 2021/22

The Department's total expenditure for the first half of 2021/22 is R649.7 million compared to R592.5 million in 2020/21. The higher expenditure in compensation of employees relate to the filling of vacant posts especially the posts for senior management services, payment of 2019/20 performance bonuses and notch progression for qualifying officials in the current financial year.

Expenditure on goods and services is higher because of the following items or factors:

- External audit costs.
- Decontamination of the building as a safety measure against the COVID-19 pandemic.
- Provision of tools of trade such as Data costs for remote working.
- g-Fleet subsidized vehicles operational costs.
- Gauteng Broad Band maintenance costs.
- SAP licenses.
- Email service costs.
- Mail security and archiving costs.
- Fully Managed Data Centre service costs.

Programme 1: Administration

The Administration Programme spent R94.8 million in the first half of 2020/21, compared to R98.8 million spent in the current financial year. The increase in goods and services expenditure is due to external audit costs, COVID-19 expenditure such as building decontamination, data costs, property payments and fleet services operational costs.

Programme 2: Information Communication Technology Shared Services

Expenditure incurred during the first half of 2021/22 amounts to R490.9 million, which is 12 percent higher than R440.1 million expenditure incurred during the corresponding period in 2020/21. The main cost drivers contributing to the increase include GBN maintenance costs, SAP ERP licenses, e-mail service costs, mail security and archiving costs and the Fully Managed Data Centre service costs.

Programme 3: Human Resource Services

The aggregate expenditure for the first half of the 2021/22 financial year amounts to R60 million, compared to R57.6 million incurred during the corresponding period in the 2020/21 financial year. The cause of the higher expenditure is the payment of the Thusong Service Centre operational costs, which includes prior-year operational costs.

6. Departmental Receipts

TABLE 13.9: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|----------------------|--------------------|---|------------------------|----------------------|---------------------------------|
| | Audited Outcome | | | | Preliminary Receipts | | |
| R thousand | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020- Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 637 | 87 | 531 | 83% | 672 | 245 | 182% |
| Transfers received | | | | | | | |
| Fines, penalties and forfeits | | | | | | | |
| Interest, dividends and rent on land | 13 | | 7 | 54% | 14 | 2 | #DIV/0! |
| Sales of capital assets | | | | | | | 0% |
| Financial transactions in assets and liabilities | 52 | 20 | 180 | 346% | 55 | 193 | 865% |
| Total | 702 | 107 | 718 | 102% | 741 | 440 | 311% |

Revenue trends for the first half of the 2021/22 financial year

The main sources of departmental receipts are sales of goods and services other than capital assets, interest on outstanding debts as well as financial transactions in assets and liabilities. The major source of revenue is the sales of goods and services other than capital assets comprising of parking fees, commission on garnishee orders and replacement of security cards.

The departmental receipts amounted to R107 000 as at 30 September 2020, compared to R440 000 collected as at 30 September 2021. This increase reflects in sales of goods and services other than capital assets and financial transactions in assets and liabilities.

The lower sales of goods and services other than capital in 2020/21 was caused by:

- Non-collection of gym fees in response to the suspension of the gym operations as a safeguard against the COVID-19 pandemic.
- Lower sales of tender documents since the automation of tender documentation rendered this revenue stream obsolete.

A higher rate of collection of monies owed to the Department resulted in financial transactions in assets and liabilities reflecting a total of R193 000 during the first half of 2021/22 versus R20 000 collected in 2020/21. This revenue source includes staff debt recoveries and prior-financial years' expenditure recoupments.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfers and subsidies

No changes

Changes to conditional grants

Not applicable

Changes to infrastructure

Not applicable

VOTE 14

GAUTENG PROVINCIAL TREASURY

| R thousand | 2021/22 | | | |
|------------------------------|--------------------|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 754 845 | 675 545 | (79 300) | |
| of which: | | | | |
| Current payments | 689 662 | 601 800 | (87 862) | |
| Transfers and subsidies | 64 739 | 66 269 | | 1 530 |
| Payments for capital assets | 444 | 7 476 | | 7 032 |
| Payment for financial assets | | | | |
| Executive authority: | MEC for Finance | | | |
| Accounting officer: | Head of Department | | | |

1. Vision and Mission

Vision

Pioneers in fiscal prudence and good governance.

Mission

A Treasury that drives world class financial support through tight fiscal controls, upheld by a culture of good corporate governance for our stakeholders.

2. Changes to Programme Purpose, Objective and Measures

No changes

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 14.1: GAUTENG PROVINCIAL TREASURY

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Administration | 161 449 | (23 000) | | | | | (23 000) | 138 449 |
| 2. Sustainable Fiscal Resource Management | 164 452 | (9 000) | | (740) | | | (9 740) | 154 712 |
| 3. Financial Governance | 140 275 | (20 000) | | 1 032 | | | (18 968) | 121 307 |
| 4. Supply Chain Management | 105 239 | (2 500) | | 740 | | | (1 760) | 103 479 |
| 5. Municipal Financial Governance | 66 448 | (21 000) | | (1 032) | | | (22 032) | 44 416 |
| 6. Gauteng Audit Service | 116 982 | (3 800) | | | | | (3 800) | 113 182 |
| Total for Programmes | 754 845 | (79 300) | | | | | (79 300) | 675 545 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 689 662 | (79 300) | | (8 562) | | | (87 862) | 601 800 |
| Compensation of employees | 620 393 | (79 300) | | (27 375) | | | (106 675) | 513 718 |
| Salaries & wages | 525 371 | (69 967) | | (16 619) | | | (86 586) | 438 785 |
| Social contribution | 95 022 | (9 333) | | (10 756) | | | (20 089) | 74 933 |
| Goods and services | 69 269 | | | 18 813 | | | 18 813 | 88 082 |
| Transfers and subsidies | 64 739 | | | 1 530 | | | 1 530 | 66 269 |
| Departmental agencies and accounts | 64 044 | | | | | | | 64 044 |
| Non-profit institutions | | | | | | | | |
| Households | 695 | | | 1 530 | | | 1 530 | 2 225 |
| Payments for capital assets | 444 | | | 7 032 | | | 7 032 | 7 476 |
| Machinery and equipment | 444 | | | 7 032 | | | 7 032 | 7 476 |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 754 845 | (79 300) | | | | | (79 300) | 675 545 |

The main appropriation decreases by R79.3 million from R754.8 million to R675.5 million during the adjustments budget process. The unutilized R79.3 million is for vacancies in the new approved structure that is currently being filled. The amount will be surrendered to the Provincial Revenue Fund.

The GPT has anticipated overspending on goods and services towards the braille project for converting training and bid documents into Braille and training of service providers, open tender probity audits, SCM training requirements, automation of a market related price for data collection and supplier development. Therefore, an amount of R18.8 million has been re-allocated from compensation of employees to address the shortfall on goods and services.

Furthermore, R7 million is re-directed from goods and services and compensation of employees to fund the acquisition of computer equipment and furniture linked to the implementation of the new approved structure. An amount of R1.5 million is reprioritised from compensation of employees to fund leave gratuity payments to former employees of the department and the anticipated payments on external bursaries for underprivileged students for 2022 intakes.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 14.2: PROGRAMME 1: ADMINISTRATION

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office of the MEC | 8 297 | | | 3 000 | | | 3 000 | 11 297 |
| 2. Office Of The HOD | 16 045 | (4 000) | | | | | (4 000) | 12 045 |
| 3. Corporate Management | 108 795 | (19 000) | | (11 032) | | | (30 032) | 78 763 |
| 4. Financial Management (CfO) | 28 312 | | | 8 032 | | | 8 032 | 36 344 |
| Total for Programmes | 161 449 | (23 000) | | | | | (23 000) | 138 449 |

| Economic classification | R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|----------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 160 310 | | (23 000) | | (7 912) | | | (30 912) | 129 398 |
| Compensation of employees | 127 648 | | (23 000) | | (3 880) | | | (26 880) | 100 768 |
| Salaries & wages | 103 523 | | (19 317) | | 3 333 | | | (15 984) | 87 539 |
| Social contribution | 24 125 | | (3 683) | | (7 213) | | | (10 896) | 13 229 |
| Goods and services | 32 662 | | | | (4 032) | | | (4 032) | 28 630 |
| Transfers and subsidies | 695 | | | | 880 | | | 880 | 1 575 |
| Provinces and municipalities | | | | | | | | | |
| Households | 695 | | | | 880 | | | 880 | 1 575 |
| Payments for capital assets | 444 | | | | 7 032 | | | 7 032 | 7 476 |
| Buildings and other fixed structures | | | | | | | | | |
| Machinery and equipment | 444 | | | | 7 032 | | | 7 032 | 7 476 |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 161 449 | | (23 000) | | | | | (23 000) | 138 449 |

TABLE 14.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|-----------------|---|---------------|
| Current payments | | (21 329) | | 16 709 |
| Compensation of employees | Funds for vacant posts in the organisational structure. | (20 506) | Funds for vacant posts in the organisational structure within the programme. | 16 626 |
| Goods and services | Reduced use of consultants; lower training costs and operational payments | (4 417) | To fund the performance monitoring system software license | 385 |
| Transfers and subsidies | | | | 880 |
| Provinces and municipalities | | | | |
| Households | | | Provision for leave gratuity payments to former employees and bursary scheme for underprivileged students | 880 |
| Payments for capital assets | | | | 7 032 |
| Machinery and equipment | | | Provision for the acquisition of capital assets such as laptops and office furniture | 7 032 |
| Payments for financial assets | | | | |
| Total economic classification | | (21 329) | | 24 621 |

Function shifts, Surrender and Suspensions: R23 million

The programme surrenders to the Provincial Revenue Fund R23 million from compensation of employees. This is due to vacancies in the new approved structure that is currently being filled.

Virements and shifts

An amount of R3.8 million is shifted from compensation of employees and R4 million from goods and services within the programme towards payments for capital assets to procure laptops and office furniture. Furthermore, an amount of R880

000 is shifted from compensation of employees towards transfers and subsidies to curb the spending pressure on leave gratuity, injury on duty claims and the anticipated payments on external bursaries for underprivileged students for 2022 intakes.

Programme 2: Sustainable Fiscal Resource Management

TABLE 14.4: PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Programme Support/Office Of The DDG | 69 016 | | | (700) | | | (700) | 68 316 |
| 2. Budget Management | 29 668 | (3 500) | | | | | (3 500) | 26 168 |
| 3. Economic And Fiscal Policy Oversight | 14 619 | (500) | | | | | (500) | 14 119 |
| 4. Infrastructure Management | 14 541 | | | | | | | 14 541 |
| 5. Financial Asset And Liabilities Management | 15 876 | (1 500) | | | | | (1 500) | 14 376 |
| 6. Public Finance | 20 732 | (3 500) | | (40) | | | (3 540) | 17 192 |
| Total for Programmes | 164 452 | (9 000) | | (740) | | | (9 740) | 154 712 |

| Economic classification | R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|----------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 100 408 | | (9 000) | | (740) | | | (9 740) | 90 668 |
| Compensation of employees | 84 873 | | (9 000) | | | | | (9 000) | 75 873 |
| Salaries & wages | 72 793 | | (9 000) | | 950 | | | (8 050) | 64 743 |
| Social contribution | 12 080 | | | | (950) | | | (950) | 11 130 |
| Goods and services | 15 535 | | | | (740) | | | (740) | 14 795 |
| Transfers and subsidies | 64 044 | | | | | | | | 64 044 |
| Departmental agencies and accounts | 64 044 | | | | | | | | 64 044 |
| Households | | | | | | | | | |
| Payments for capital assets | | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | | |
| Machinery and equipment | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 164 452 | | (9 000) | | (740) | | | (9 740) | 154 712 |

TABLE 14.5: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------------|---|--------------|
| Current payments | | (1 773) | | 1 033 |
| Compensation of employees | Funds are reprioritised within compensation of employees to realign the expenditure with budget. | (950) | The programme will still achieve its targets. Funds are reprioritised within compensation of employees to realign the expenditure with budget. | 950 |
| Goods and services | Funds are reprioritised to curb the anticipated spending pressure on other programmes, to fund the departments braille project and also the training of service providers. | (823) | Funds are reprioritised from computer services and consumables to curb the spending pressure towards Systems Access and Informations fees and Translations and Transcripts. | 83 |
| Transfers and subsidies | | | | |
| Households | | | | |
| Payments for capital assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (1 773) | | 1 033 |

Virements and shifts

An amount of R740 000 is redirected from goods and services savings towards Programme 4: Provincial Supply Chain Management to defray the anticipated overspending towards the braille project for converting training and bid documents into Braille.

Surrender: R9 million

The programme surrenders to the Provincial Revenue Fund R9 million from compensation of employees because of vacancies in the newly approved structure that is currently being filled.

Programme 3: Financial Governance

TABLE 14.6: PROGRAMME 3: FINANCIAL GOVERNANCE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Programme Support/Office Of The DDG | 4 537 | | | (400) | | | (400) | 4 137 |
| 2. Provincial Accounting Services | 66 699 | (8 000) | | (189) | | | (8 189) | 58 510 |
| 3. Transversal Internal Audit And Risk Management | 20 811 | (4 000) | | 589 | | | (3 411) | 17 400 |
| 4. Norms And Standards | 6 289 | (3 000) | | | | | (3 000) | 3 289 |
| 5. Financial Information Mngement Systems | 41 939 | (5 000) | | 1 032 | | | (3 968) | 37 971 |
| Total for Programmes | 140 275 | (20 000) | | 1 032 | | | (18 968) | 121 307 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 140 275 | (20 000) | | 982 | | | (19 018) | 121 257 |
| Compensation of employees | 131 976 | (20 000) | | (50) | | | (20 050) | 111 926 |
| Salaries & wages | 113 510 | (18 850) | | 850 | | | (18 000) | 95 510 |
| Social contribution | 18 466 | (1 150) | | (900) | | | (2 050) | 16 416 |
| Goods and services | 8 299 | | | 1 032 | | | 1 032 | 9 331 |
| Transfers and subsidies | | | | 50 | | | 50 | 50 |
| Provinces and municipalities | | | | | | | | |
| Households | | | | 50 | | | 50 | 50 |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 140 275 | (20 000) | | 1 032 | | | (18 968) | 121 307 |

TABLE 14.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: FINANCIAL GOVERNANCE

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------------|---|--------------|
| Current payments | | (1 752) | | 2 734 |
| Compensation of employees | Funds are reprioritised within compensation of employees to realign the expenditure within the budget and to also curb the anticipated expenditure in household items. | (950) | No impact on service delivery targets, the programme will still achieve its targets. Funds are reprioritised within compensation of employees to realign the expenditure with budget. | 900 |
| Goods and services | The savings resulted from slow moving expenditure on goods and services and less commitments, due to Covid 19 Restrictions | (802) | The programme will still achieve its targets after funds were reprioritised from other programmes to curb the spending pressure towards automation of financial statement | 1 834 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 50 |
| Payments for capital assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (1 752) | | 2 784 |

Function shifts, Surrender and Suspensions: R20 million

The programme surrenders to the Provincial Revenue Fund R20 million from compensation of employees, which is for vacancies in the newly-approved structure that is currently being filled.

Virements and shifts

The programme receives R1 million for goods and services from Programme 5: Municipal Financial Governance to curb the anticipated spending pressure in the Automation of Financial Statements Project. R50 000 is shifted from compensation of employees to households transfers to provide for leave gratuity payments and injury on duty claims.

Programme 4: Provincial Supply Chain Management

TABLE 14.8: PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Programme Support/Office Of The DDG | 12 915 | (1 000) | | 11 740 | | | 10 740 | 23 655 |
| 2. Scm Policy, Norms And Standards | 21 042 | (1 500) | | (7 000) | | | (8 500) | 12 542 |
| 3. Scm Client Support | 36 748 | | | | | | | 36 748 |
| 4. Strategic Procurement | 20 664 | | | (2 000) | | | (2 000) | 18 664 |
| 5. Transversal Contract Management | 13 870 | | | (2 000) | | | (2 000) | 11 870 |
| Total for Programmes | 105 239 | (2 500) | | 740 | | | (1 760) | 103 479 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 105 239 | (2 500) | | 540 | | | (1 960) | 103 279 |
| Compensation of employees | 102 322 | (2 500) | | (15 230) | | | (17 730) | 84 592 |
| Salaries & wages | 84 940 | (2 500) | | (11 080) | | | (13 580) | 71 360 |
| Social contribution | 17 382 | | | (4 150) | | | (4 150) | 13 232 |
| Goods and services | 2 917 | | | 15 770 | | | 15 770 | 18 687 |
| Transfers and subsidies | | | | 200 | | | 200 | 200 |
| Non-profit institutions | | | | | | | | |
| Households | | | | 200 | | | 200 | 200 |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 105 239 | (2 500) | | 740 | | | (1 760) | 103 479 |

TABLE 14.9: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|--|----------|---|--------|
| Current payments | | (15 230) | | 15 770 |
| Compensation of employees | Realignment of the compensation of employees budget and reprioritisation towards probity audits for the open tender projects | (15 230) | | |
| Goods and services | | | Reprioritisation towards probity audits for the open tender projects, automation of market price data, the departments braille project and supplier development | 15 770 |
| Transfers and subsidies | | | | 200 |
| Provinces and municipalities | | | | |
| Households | | | Reprioritisation towards leave gratuity payments to former employee of the department | 200 |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | | | | |
| Payments for financial assets | | | | |

| | | | | |
|-------------------------------|--|----------|--|--------|
| Total economic classification | | (15 230) | | 15 970 |
|-------------------------------|--|----------|--|--------|

Function shifts, Surrender and Suspensions: R2.5 Million

The programme surrenders to the Provincial Revenue Fund R2.5 million from compensation of employees, which is for vacancies in the newly-approved structure that is currently being filled.

Virements and shifts

An amount of R15.2 million is shifted from compensation of employees towards goods and services items such as probity audits for open tender project, automation of a market related price for data collection, training as well as transfer payments for leave gratuity and injury on duty claims. The programme receives R740 000 for goods and services from Programme 2: Sustainable Fiscal Resources Management to fund the braille project (converting training and bid documents into Braille and training of service providers).

Programme 5: Municipal Financial Governance

TABLE 14.10: PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Programme Support/Office Of The DDG | 12 353 | | | 6 462 | | | 6 462 | 18 815 |
| 2. Local Government Financial Services | 24 982 | (10 000) | | 5 | | | (9 995) | 14 987 |
| 3. Municipal Accounting And Asset Management | 14 397 | (5 000) | | (7 499) | | | (12 499) | 1 898 |
| 4. Municipal Compliance And Financial Management Support | 14 716 | (6 000) | | | | | (6 000) | 8 716 |
| Total for Programmes | 66 448 | (21 000) | | (1 032) | | | (22 032) | 44 416 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 66 448 | (21 000) | | (1 332) | | | (22 332) | 44 116 |
| Compensation of employees | 62 798 | (21 000) | | (300) | | | (21 300) | 41 498 |
| Salaries & wages | 52 226 | (16 500) | | (300) | | | (16 800) | 35 426 |
| Social contribution | 10 572 | (4 500) | | | | | (4 500) | 6 072 |
| Goods and services | 3 650 | | | (1 032) | | | (1 032) | 2 618 |
| Transfers and subsidies | | | | 300 | | | 300 | 300 |
| Provinces and municipalities | | | | | | | | |
| Households | | | | 300 | | | 300 | 300 |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 66 448 | (21 000) | | (1 032) | | | (22 032) | 44 416 |

TABLE 14.11: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|--|---------|---|-------|
| Current payments | | (8 776) | | 7 444 |
| Compensation of employees | The saving resulted from the delays in filling vacant post of new approved structure, due to Covid-19 retrictions | (7 499) | The programme will still achieve its targets. Funds are reprioritised within the programme to curb the spending pressure on compensation of employees | 7 199 |
| Goods and services | Reprioritised funds emanated from the cancelled Municipal asset project and the slow moving expenditure on goods and services due to Covid 19 Restrictions . | (1 277) | Funds are reprioritised from training and development and travel & subsistences to realign the expenditure within the goods and services budget | 245 |
| Transfers and subsidies | | | | 300 |
| Households | | | Funds are reprioritised from compensation of employees to curb the spending pressure on the item of leave and gratuity | 300 |

| | | | | |
|-------------------------------|--|---------|--|-------|
| Payments for capital assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (8 776) | | 7 744 |

Function shifts, Surrender and Suspensions: R21 million

The programme surrenders to the Provincial Revenue Fund R21 million from compensation of employees, which is for vacancies in the newly-approved organisational structure that is currently being filled.

Virements and shifts

Through virements, the programme reallocates R1 million towards Programme 3: Financial Governance to defray the anticipated spending pressure on the automation of financial statements project.

An amount of R300 000 is shifted from compensation of employees to transfers and subsidies to cover leave gratuity payments to former employees and claims for injury on duty.

Programme 6: Gauteng Audit Services

TABLE 14.12: PROGRAMME 6: GAUTENG AUDIT SERVICES

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Programme Support/Office Of The DDG | 10 717 | | | 7 625 | | | 7 625 | 18 342 |
| 2. Risk And Compliance Audit Services(Cluster 1,2,3) | 39 704 | | | (5 175) | | | (5 175) | 34 529 |
| 3. Risk And Compliance Audit Services(Cluster 4,5,6) | 23 386 | | | 9 000 | | | 9 000 | 32 386 |
| 4. Performance And Computer Audit Services | 43 175 | (3 800) | | (11 450) | | | (15 250) | 27 925 |
| Total for Programmes | 116 982 | (3 800) | | | | | (3 800) | 113 182 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 116 982 | (3 800) | | (100) | | | (3 900) | 113 082 |
| Compensation of employees | 110 776 | (3 800) | | (7 915) | | | (11 715) | 99 061 |
| Salaries & wages | 98 379 | (3 800) | | (10 372) | | | (14 172) | 84 207 |
| Social contribution | 12 397 | | | 2 457 | | | 2 457 | 14 854 |
| Goods and services | 6 206 | | | 7 815 | | | 7 815 | 14 021 |
| Transfers and subsidies | | | | 100 | | | 100 | 100 |
| Households | | | | 100 | | | 100 | 100 |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 116 982 | (3 800) | | | | | (3 800) | 113 182 |

TABLE 14.13: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 6: GAUTENG AUDIT SERVICES

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------|---|-----------------|---|---------------|
| Current payments | | (18 881) | | 18 781 |
| Compensation of employees | Realignment of personnel budget. | (18 546) | Realignment of personnel budget. | 10 631 |
| Goods and services | Realignment of the budget for goods and services within the programme | (335) | Reprioritisation towards new performance information and proactive assurance audits | 8 150 |
| Transfers and subsidies | | | | 100 |
| Households | | | Reprioritisation towards leave gratuity payments to former employee of the department | 100 |

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|------------|-----------------|------------|---------------|
| Payments for capital assets | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (18 881) | | 18 881 |

Function shifts, Surrender and Suspensions: R3.8 million

The programme surrenders to the Provincial Revenue Fund R3.8 million from compensation of employees, which is for vacancies in the approved structure that is currently being filled.

Virements and shifts

The programme shifts an amount of R7.8 million from compensation of employees towards the committed outsourced specialised audits as well as travel and subsistence.

An amount of R100 000 is shifted from compensation of employees to transfers and subsidies to pay for leave gratuity to former employees and claims for injury on duty.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 14.15: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|---|--------------------------------|----------------------|---------------------|--|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 - Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| 1. Administration | 153 610 | 64 771 | 132 517 | 86% | 138 449 | 57 026 | (12)% |
| 2. Sustainable Fiscal Resource Management | 152 821 | 104 554 | 146 639 | 96% | 154 712 | 70 800 | (32)% |
| 3. Financial Governance | 125 397 | 54 193 | 109 580 | 87% | 121 307 | 51 886 | (4)% |
| 4. Supply Chain Management | 99 227 | 44 922 | 100 868 | 102% | 103 479 | 46 171 | 3% |
| 5. Municipal Financial Governance | 46 506 | 20 842 | 39 448 | 85% | 44 416 | 18 940 | (9)% |
| 6. Gauteng Audit Services | 99 897 | 43 919 | 87 149 | 87% | 113 182 | 47 892 | 9% |
| Total | 677 458 | 333 201 | 616 201 | 91% | 675 545 | 292 715 | (12)% |
| Current payments | 606 883 | 262 745 | 546 465 | 90% | 601 800 | 260 201 | (2)% |
| Compensation of employees | 527 189 | 236 180 | 469 914 | 89% | 513 718 | 233 791 | (1)% |
| Goods and Services | 79 694 | 26 565 | 76 551 | 96% | 88 082 | 26 410 | (1)% |
| Transfers and subsidies | 63 506 | 64 523 | 62 230 | 98% | 66 269 | 32 459 | (22)% |
| Departmental agencies and accounts | 61 406 | 64 183 | 61 406 | 100% | 64 044 | 32 022 | (50)% |
| Households | 2 100 | 340 | 824 | 39% | 2 225 | 437 | 29% |
| Payments for capital assets | 7 069 | 5 933 | 7 506 | 106% | 7 476 | 55 | (99)% |
| Buildings and other fixed structures | | | | | | | |
| Machinery and equipment | 7 069 | 5 933 | 7 506 | 106% | 7 476 | 55 | (99)% |
| Payments for financial assets | | | | | | | |
| Total | 677 458 | 333 201 | 616 201 | 91% | 675 545 | 292 715 | (12)% |

Expenditure trends for 2020/21

The department spent 91 per cent of the R677 million budget in 2020/21. The allocation of R677 million in 2020/21 included personnel budget of R527.2 million; and goods and services totalling R79.7 million to provide for various key funding priorities

such as the printing of treasury publications, costs of utilities, training, and development for GPG departments and municipalities as well as audit costs. The transfers and subsidies allocation comprised of R61.4 million allocated to GIFA and R2.1 million for injury-on-duty claims, leave gratuity payments to former officials and external bursaries payments. Payments for capital assets amounted to R7 million provided for the purchase of office equipment and laptops.

The department's expenditure was recorded at R616.2 million, which translates to 91 per cent of the total budget. This spending level comprised of 89 per cent on compensation of employees; 96 per cent on goods and services; 98 per cent on transfers and subsidies (i.e., 100 per cent made to GIFA and further 39 per cent on households) and 106 percent spending on purchases of office and computer equipment. The underspending of 9 per cent of the final appropriation was attributed to vacant posts and probity audit commitments that did not realise expenditure within the financial year.

Expenditure trends for the first half of 2020/21

Programme 1: Administration

Spending amounts to R57 million, which is 12 per cent less than R64.8 million spent in the same period in the previous financial year. The decrease is mainly due to vacancies in the newly-approved structure that is currently being filled.

Programme 2: Sustainable Fiscal Resource Management

The programme spent R70.8 million as at the end of September 2021 compared to R104.5 million spent at the end of September 2020. The 32 per cent decrease is due to GIFA payment projected to be paid in the month of October 2021, commitments that are expected to be paid in the fourth quarter of the financial year and vacancies in the new organisational structure.

Programme 3: Financial Governance

The aggregate expenditure percentage for this programme decreases by 4 per cent during the first six months of the current financial year compared to the same period in the previous financial year. Spending as at the end of September 2021 amounts to R51.8 million compared to R54.1 million that was spent as of 30 September 2020. The reason for the decrease is mainly the vacancies in the organisational structure.

Programme 4: Provincial Supply Chain Management

The spending was R44.9 million in 2020/21 for a period of six month and it is R46.2 million in the current financial year for the same period. The cumulative percentage spent is 3 percent and the main cost driver for this programme is the increased number of projects that are implemented through the open tender process.

Programme 5: Municipal Financial Governance

Overall expenditure for six months of the current financial year is 9 per cent less than the same period in the previous financial year, translating into a decrease from R20.8 million 2020/21 to R18.9 million in 2021/22. The Treasury's interventions to support municipalities through the provision of training contributed to the level of spending in the current financial year and the cancellation of key projects for infrastructure asset management to municipalities also contributed to lower spending.

Programme 6: Gauteng Audit Services

The aggregate expenditure for this programme increases by 9 per cent during the first six months in the current financial year compared to the same period in the previous financial year. The increase is due to emerging requests from the audit committee, linked to emerging risk areas in the province.

6. Departmental Receipts

TABLE 14.15: DEPARTMENTAL RECEIPTS

| Department | 2020/21 | | | | 2021/22 | | |
|---|------------------------|---------------------|----------------------|---|------------------------|---------------------------------|-------|
| | Adjusted appropriation | Audited Outcome | | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Preliminary Receipts | |
| Apr 2020 - Sept 2020 | | Apr 2020 - Mar 2021 | Apr 2021 - Sept 2021 | | | % change 20/21 - 21/22 Apr-Sept | |
| R thousand | | | | | | | |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 1 238 | 282 | 557 | 45% | 1 306 | 267 | (5)% |
| Interest, dividends and rent on land | 550 000 | 393 222 | 751 706 | 137% | 583 009 | 303 410 | (23)% |
| Sales of capital assets | | | 133 | | | | |
| Financial transactions in assets and liabilities | 557 | 128 | 225 | 40% | 588 | 312 | 144% |
| Total | 551 795 | 393 632 | 752 621 | 136% | 584 903 | 303 989 | (23)% |

Revenue trends for the first half of the 2021/22 financial year

There is no revenue adjustment during the 2021/22 current financial year and the amount will therefore remain at R584.9 million in the current financial year. The Department collected a total amount of R303.9 million in the first six months of the current financial year, which is 23 per cent less when compared to the same period in the previous financial year mainly because of a trend in the interest revenue earned on cash balances. The rate of recoveries is higher in this financial year, that is why financial transactions in assets and liabilities at R312 000 are 144 per cent higher than in 2020/21.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure**Changes to transfers and subsidies**

Not applicable

Changes to conditional grants

Not applicable

Change to infrastructure

Not applicable

VOTE 15

DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

| R thousand | 2021/22 | | | |
|------------------------------|------------------------------------|------------------------|----------|----------|
| | Main Appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 3 260 931 | 3 249 020 | (11 911) | |
| of which: | | | | |
| Current payments | 2 069 915 | 2 137 939 | | 68 024 |
| Transfers and subsidies | 1 028 376 | 1 030 376 | | 2 000 |
| Payments for capital assets | 162 640 | 80 505 | (82 135) | |
| Payment for financial assets | | 200 | | 200 |
| Executive authority | MEC for Infrastructure Development | | | |
| Accounting officer | Head of Department | | | |

1. Vision and Mission

Vision

To be a leading sustainable infrastructure provider and facilitator that positions Gauteng as a globally competitive city region with inclusive economic growth and decent work for all.

Mission

To contribute towards the radical transformation, modernisation and re-industrialisation of Gauteng by accelerating integrated service delivery, maintenance and management of public infrastructure and deploying built environment professionals while encouraging the active participation of an empowered citizenry.

2. Changes to Programme Purpose, Objective and Measures

No changes.

3. Summary of Adjusted Estimates of Departmental Expenditure 2021/22

TABLE 15.1: INFRASTRUCTURE DEVELOPMENT

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Administration | 446 264 | | | 21 844 | | | 21 844 | 468 108 |
| Public Works Infrastructure | 2 572 878 | (58 433) | 46 522 | 38 668 | | | 26 757 | 2 599 635 |
| Expanded Public Works Programme | 241 789 | | | (60 512) | | | (60 512) | 181 277 |
| Total for Programmes | 3 260 931 | (58 433) | 46 522 | | | | (11 911) | 3 249 020 |

| Economic classification | R Thousand | Main Appropriation | 2021/22 Adjustments | | | | Total Adjustments | Adjusted Appropriation | |
|---------------------------|------------|--------------------|---|------------|----------------------|------------------------------|-------------------|------------------------|--------------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | | | Additional Funding: Provincial |
| Current payments | | 2 069 915 | | 46 522 | 21 502 | | | 68 024 | 2 137 939 |
| Compensation of employees | | 1 115 884 | | | 48 945 | | | 48 945 | 1 164 829 |
| Salaries & wages | | 974 379 | | | 48 945 | | | 48 945 | 1 023 324 |
| Social contribution | | 141 505 | | | | | | | 141 505 |
| Goods and services | | 953 931 | | 46 522 | (27 443) | | | 19 079 | 973 010 |
| Interest and rent on land | | 100 | | | | | | | 100 |

| | | | | | | | |
|--------------------------------------|------------------|-----------------|---------------|----------|--|-----------------|------------------|
| Transfers and subsidies | 1 028 376 | | | 2 000 | | 2 000 | 1 030 376 |
| Provinces and municipalities | 1 025 376 | | | | | | 1 025 376 |
| Departmental agencies and accounts | | | | | | | |
| Households | 3 000 | | | 2 000 | | 2 000 | 5 000 |
| Payments for capital assets | 162 640 | (58 433) | | (23 702) | | (82 135) | 80 505 |
| Buildings and other fixed structures | 137 550 | (58 433) | | (28 702) | | (87 135) | 50 415 |
| Machinery and equipment | 25 090 | | | 5 000 | | 5 000 | 30 090 |
| Payments for financial assets | | | | 200 | | 200 | 200 |
| Total economic classification | 3 260 931 | (58 433) | 46 522 | | | (11 911) | 3 249 020 |

The department's budget for the 2021/22 financial year decreases from R3.3 billion to R3.2 billion during adjustment period. This decrease results from a rollover of R46.5 million from the 2020/21 financial year for commitments along with surrenders from in-house infrastructure projects, the implementation of which were delayed due to COVID-19 lockdown restrictions.

The department implemented shifts of funds within the programmes to address budget pressures and to defray overspending on items such as compensation of employees, property payments, communication and transport services.

The department implemented virement of funds amounting to R60.5 million from Program 3 to fund compensation of employees and Property payments. An amount of R21.8 million is moved to programme 1 for machinery and Equipment, legal fees and compensation of employees. Lastly an amount of R38.6 million is moved to Program 2 to fund Operating leases and Compensation of employees.

The budget for infrastructure decreases from R171 million to R131.8 million. The budget for Buildings and other fixed structures decreases by R58.4 million due to a surrender due to a delay in the implementation of projects as a result of COVID-19 lockdown restrictions. Furthermore, an amount of R46.5 million is rolled over from the preceding year to fund operating leases.

4. Details of Adjustments to Estimates of Departmental Expenditure 2021/22

Programme 1: Administration

TABLE 15.2: PROGRAMME 1: ADMINISTRATION

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Office Of The MEC | 12 634 | | | | | | | 12 634 |
| 2. Corporate Support | 416 172 | | | 21 844 | | | 21 844 | 438 016 |
| 3. Management Of The Department | 17 458 | | | | | | | 17 458 |
| Total for Programmes | 446 264 | | | 21 844 | | | 21 844 | 468 108 |

| Economic classification | R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|--------------------------------------|------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | | 420 116 | | | 16 644 | | | 16 644 | 436 760 |
| Compensation of employees | | 279 797 | | | 12 726 | | | 12 726 | 292 523 |
| Salaries & wages | | 248 179 | | | 12 726 | | | 12 726 | 260 905 |
| Social contribution | | 31 618 | | | | | | | 31 618 |
| Goods and services | | 140 219 | | | 3 918 | | | 3 918 | 144 137 |
| Interest and rent on land | | 100 | | | | | | | 100 |
| Transfers and subsidies | | 1 058 | | | | | | | 1 058 |
| Provinces and municipalities | | | | | | | | | |
| Households | | 1 058 | | | | | | | 1 058 |
| Payments for capital assets | | 25 090 | | | 5 000 | | | 5 000 | 30 090 |
| Machinery and equipment | | 25 090 | | | 5 000 | | | 5 000 | 30 090 |
| Payments for financial assets | | | | | 200 | | | 200 | 200 |
| Total economic classification | | 446 264 | | | 21 844 | | | 21 844 | 468 108 |

TABLE 15.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

| Economic classification | Motivation | From | Motivation | To |
|---|--|----------|--|--------|
| Current payments | | (27 157) | | 43 801 |
| Compensation of employees | | | Provision for salary adjustments. Funds shifted from training item under EPWP. | 12 726 |
| Goods and services | A saving identified from the ICT due to the delays in procurement process, less traveling and usage of telkom lines. | (27 157) | Funds made available for Audit cost, Advertising, legal services. | 31 075 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | | | | |
| Higher education institutions | | | | |
| Foreign governments and international organisations | | | | |
| Public corporations and private enterprises | | | | |
| Non-profit institutions | | | | |
| Households | | | | |
| Payments for capital assets | | | | 5 000 |
| Buildings and other fixed structures | | | | |
| Machinery and equipment | | | Funds to make provision for tools of trade and replacements for newly appointed employees. | 5 000 |
| Heritage assets | | | | |
| Specialised military assets | | | | |
| Biological assets | | | | |
| Land and sub-soil assets | | | | |
| Software and other intangible assets | | | | |
| Payments for financial assets | | | Funds made available to cover expenditure incurred. | 200 |
| Total economic classification | | (27 157) | | 49 001 |

Virement and Shifts

The department has processed virements on programme 1 to comply with DPSA circular no: 21 of 2021. This circular is for Improvement of in Conditions of service for employees on salary levels 1 to 12 and those covered by Occupation Specific Dispensations (OSDs). Budget for Compensation of employees on Programme 1 is increased from R280 million to R293 million.

The legal fees paid during the first six months of the financial year amounted to R17 million against the budget of R14.9 million. The Department increases to deal with the anticipated payments for services. A virement of R6.9 million is processed to increase the budget of legal fees to R21.9 million. The impact of COVID-19 and the lockdowns imposed as a way of protecting the employees and the country against the pandemic, resulted in the department having to refocus and implement a strategy for ensuring employee 100 per cent effectiveness and efficiency without compromising their health and safety. In this regard the budget for Computers and laptops is increased from the initial budget of R25.1 million to a revised budget of R30.1 million to acquire new ones to allow employees to work remotely from home and not to report to the office on daily basis.

Procurement processes, which were delayed for the purchases of Software, reduced telephone costs (landlines), delayed submission of invoices by contractors are part of the motivation to shifts funds from these items to items such as Admin fees, Advertising, Audit costs, Machinery & Equipment and Venues and facilities. The funds shift is necessary as they are assisting in dealing with budget pressure on the stated items.

Programme 2: Public Works Infrastructure
TABLE 15.4: PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Construction | 281 189 | (58 433) | | (12 000) | | | (70 433) | 210 756 |
| 2. Maintenance | 567 672 | | | 28 814 | | | 28 814 | 596 486 |
| 3. Immovable Asset Management | 1 724 017 | | 46 522 | 21 854 | | | 68 376 | 1 792 393 |
| Total for Programmes | 2 572 878 | (58 433) | 46 522 | 38 668 | | | 26 757 | 2 599 635 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|---------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 1 408 110 | | 46 522 | 65 370 | | | 111 892 | 1 520 002 |
| Compensation of employees | 711 998 | | | 31 814 | | | 31 814 | 743 812 |
| Salaries & wages | 606 946 | | | 31 814 | | | 31 814 | 638 760 |
| Social contribution | 105 052 | | | | | | | 105 052 |
| Goods and services | 696 112 | | 46 522 | 33 556 | | | 80 078 | 776 190 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies | 1 027 218 | | | 2 000 | | | 2 000 | 1 029 218 |
| Provinces and municipalities | 1 025 376 | | | | | | | 1 025 376 |
| Departmental agencies and accounts | | | | | | | | |
| Households | 1 842 | | | 2 000 | | | 2 000 | 3 842 |
| Payments for capital assets | 137 550 | (58 433) | | (28 702) | | | (87 135) | 50 415 |
| Buildings and other fixed structures | 137 550 | (58 433) | | (28 702) | | | (87 135) | 50 415 |
| Machinery and equipment | | | | | | | | |
| Software and other intangible assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 2 572 878 | (58 433) | 46 522 | 38 668 | | | 26 757 | 2 599 635 |

TABLE 15.5: DETAILS OF SHIFTS AND VIREMENTS PER CLASSIFICATION: PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

| Economic classification | Motivation | From | Motivation | To |
|--------------------------------------|---|-----------------|--|---------------|
| Current payments | | (27 040) | | 92 410 |
| Compensation of employees | | | Provision for salary adjustments. Funds shifted from training item under EPWP. | 31 814 |
| Goods and services | A saving was identified from g-fleet, Covid Allocation and Security services to cover other items on Goods where expenditure has already incurred and commitments ongoing for the current financial year. | (27 040) | Funds made available from the Capital projects to cover anticipated over expenditure on water and lights, leases, maintenance projects, as some projects are part of Kopanong PPP. | 60 596 |
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | 2 000 |
| Households | | | Provision of expenditure incurred for injury on duty | 2 000 |
| Payments for capital assets | | (28 702) | | |
| Buildings and other fixed structures | A saving identified from CAPEX due to contractor performance, delay in procurement processes and site access limitations. Funds redirected to Maintenance projects. | (28 702) | | |
| Machinery and equipment | | | | |
| Payments for financial assets | | | | |
| Total economic classification | | (55 742) | | 94 410 |

Function shifts, Surrenders and Suspensions: R58.4 million

The department experienced challenges with the relocation of employees to new buildings or whether it should perform renovations on the current building which contributed to low expenditure on Infrastructure budget as at end September 2021. Budget for Infrastructure will be reduced by a surrender of R58.4 million to Gauteng Provincial Revenue Fund.

Roll-overs: R46.5 million

An application for an amount of R46.5 million from the financial year 2020/21, has been approved by Provincial Treasury and will be allocated under the Operating leases item due to the pressure on the allocated budget. This amount had already been committed in the previous financial year, but invoices were delayed and could not be processed by year-end.

Virements and Shifts

The department has processed virements on programme 2 to comply with DPSA circular no: 21 of 2021 for salary adjustments on salary levels 1 to 12. Budget for Compensation of employees increased from R711 million to R744 million.

The current projections on property leases indicate that the budget to cater with the budget pressure for the financial year to March 2022. The anticipated shortfall amounts to R53 million. An amount of R6.9 million will be added to the current budget to alleviate the pressure experienced on leases. The approved rollover amount of R46.5 million will be added to the item to revise the budget on leases.

The department decided not to perform defogging every month but rather to do deep cleaning as a response to the COVID 19 pandemic which means that R10 million budget allocated for responding to the pandemic and Lockdowns will not be utilised as previously planned. The department experienced fewer requests for deep cleaning during the first half of the financial year and indications are that a portion of this budget will not be fully utilised for this purpose. These funds can therefore be availed to other items that are experiencing budget pressures such as operating leases.

An amount of R28.7 million is moved from the Infrastructure budget, from Capital Expenditure budget to Maintenance budget. Maintenance performance as at mid-term escalated to R24.2 million and is anticipated to exceed the budget of R33.7 million.

Programme 3: Expanded Public Works Programme

TABLE 15.6: PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

| R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|-----------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| 1. Programme Support CBP | 30 368 | | | (4 000) | | | (4 000) | 26 368 |
| 2. Community Development | 211 421 | | | (56 512) | | | (56 512) | 154 909 |
| Total for Programmes | 241 789 | | | (60 512) | | | (60 512) | 181 277 |

| Economic classification R Thousand | Main Appropriation | 2021/22 Adjustments | | | | | Total Adjustments | Adjusted Appropriation |
|---------------------------------------|--------------------|---|------------|----------------------|------------------------------|--------------------------------|-------------------|------------------------|
| | | Function Shifts, Surrenders and Suspensions | Roll-overs | Virements and Shifts | Additional Funding: National | Additional Funding: Provincial | | |
| Current payments | 241 689 | | | (60 512) | | | (60 512) | 181 177 |
| Compensation of employees | 124 089 | | | 4 405 | | | 4 405 | 128 494 |
| Salaries & wages | 119 254 | | | 4 405 | | | 4 405 | 123 659 |
| Social contribution | 4 835 | | | | | | | 4 835 |
| Goods and services | 117 600 | | | (64 917) | | | (64 917) | 52 683 |
| Transfers and subsidies | 100 | | | | | | | 100 |
| Households | 100 | | | | | | | 100 |
| Payments for capital assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total economic classification | 241 789 | | | (60 512) | | | (60 512) | 181 277 |

TABLE 15.7: DETAILS OF SHIFTS AND VIREMENTS PER CLASSIFICATION: PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

| Economic classification | Motivation | From | Motivation | To |
|---------------------------|---|----------|---|-------|
| Current payments | | (64 917) | | 4 405 |
| Compensation of employees | | | Provision for salary adjustments. Funds shifted from training item under EPWP . | 4 405 |
| Goods and services | Funds redirected to compensation of employees for salary adjustments. | (64 917) | | |

| Economic classification | Motivation | From | Motivation | To |
|-------------------------------|------------|----------|------------|-------|
| Interest and rent on land | | | | |
| Transfers and subsidies | | | | |
| Households | | | | |
| Total economic classification | | (64 917) | | 4 405 |

Virements and Shifts

An amount of R64 million is shifted to programme 2 due to delays in recruitment and training of NYS beneficiaries. The NYS programme experienced delays in recruitment and the implementation of training due to COVID-19 lockdown restrictions.

The implementation of DPSA circular 21 of 2021 resulted in the department having to supplement its compensation of employee's budget to reduce the budget pressure on this item. Funds are shifted to programme 1 and 2 to supplement these budgets. The budget shifts amount to R4.4 million within the program to Compensation of employees and a virement of R60.5 million will be processed to both programme 1 and programme 2.

5. Expenditure 2020/21 and Preliminary Expenditure 2021/22

TABLE 15.8: EXPENDITURE 2020/21 AND PRELIMINARY EXPENDITURE 2021/22

| Department | 2020/21 Expenditure Outcome | | | | 2021/22 Preliminary expenditure | | |
|--------------------------------------|--------------------------------|----------------------|---------------------|--|------------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020-Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Administration | 403 687 | 145 485 | 315 008 | 78% | 468 108 | 187 815 | 29% |
| Public Works | 2 621 576 | 1 116 716 | 2 657 579 | 101% | 2 599 635 | 1 057 086 | (5)% |
| Expanded Public Works | 172 508 | 21 359 | 55 745 | 32% | 181 277 | 64 541 | 202% |
| Total | 3 197 771 | 1 283 560 | 3 028 332 | 95% | 3 249 020 | 1 309 442 | 2% |
| Current payments | 2 011 920 | 913 463 | 1 848 209 | 92% | 2 137 939 | 984 168 | 8% |
| Compensation of employees | 1 080 921 | 483 212 | 1 011 818 | 94% | 1 164 829 | 570 975 | 18% |
| Goods and Services | 930 432 | 430 250 | 836 391 | 90% | 973 010 | 413 193 | (4)% |
| Interest and rent on land | 567 | 1 | 1 | 0% | 100 | | (100)% |
| Transfers and subsidies | 1 086 507 | 342 260 | 1 093 610 | 101% | 1 030 376 | 307 834 | (10)% |
| Provinces and municipalities | 1 082 931 | 341 070 | 1 089 927 | 101% | 1 025 376 | 304 504 | (11)% |
| Departmental agencies and accounts | | | 1 | | | | |
| Households | 3 576 | 1 190 | 3 682 | 103% | 5 000 | 3 330 | 180% |
| Payments for capital assets | 99 344 | 27 837 | 85 872 | 86% | 80 505 | 17 306 | (38)% |
| Buildings and other fixed structures | 68 844 | 17 149 | 57 509 | 84% | 50 415 | 7 490 | (56)% |
| Machinery and equipment | 30 500 | 10 688 | 26 217 | 86% | 30 090 | 9 816 | (8)% |
| Software and other intangible assets | | | 2 146 | | | | |
| Payments for financial assets | | | 641 | | 200 | 134 | |
| Total | 3 197 772 | 1 283 560 | 3 028 332 | 95% | 3 249 020 | 1 309 442 | 2% |

Expenditure trends 2020/21

The expenditure trends from the prior financial year are similar and indicates that the departments spending pattern has not drastically changed. This is due to several issues which include a reduction in accruals, cost containment measures and continuous efficient spending to avoid unauthorised expenditure and fruitless and wasteful expenditure.

Programme 1: Administration

The programme's budget was adjusted upward to R404 million of which R315 million was spent. The Department established a Human Resources War Room to focus on reducing the vacancy rate and minimise future underspending.

Programme 2: Public Works Infrastructure

This programme was allocated a budget of R2.6 billion in the year. As the core programme with the most activities, the budget comprises compensation of employees, goods and services, rental amounts, security services, rates & taxes, Personal Protective Equipment (PPE) bought in compliance to COVID-19 and infrastructure regulations.

Programme 3: Expanded Public Works

This programme implements EPWP programmes which constitutes 5.3 per cent of the Departmental budget. The programme is allocated a budget of R160 million compared to R309 million budget allocation for the previous financial year. Lockdown regulations linked to the COVID-19 pandemic resulted in late recruitment of EPWP beneficiaries with training being suspended. Compensation of employees and Goods and services underspent by R97 million, of which R73 million is related to EPWP.

Preliminary expenditure trends for the first half of 2021/22

The department is allocated a budget of R1 billion for rates and taxes. During the first half of the financial year the department can only pay accruals on rates and taxes because 2020/21 related claims from the municipalities' will only be received from October due to the difference in alignment of financial years.

Infrastructure in the current financial year has seen a significant decline in performance due to the country's lockdown in response to COVID-19 lockdown which resulted in activities halted. However, a significant improvement is anticipated from quarter 3 onwards.

Programme 1: Administration

The department has seen a significant reduction in spending for the first half of the financial year when compared 2020/21 financial year due to the COVID-19 lockdown. To date the program spent R187 million. This is due to delays in activities such as training of staff and travelling.

Programme 2: Public Works Infrastructure

This programme is carrying the core function of the department, which is Infrastructure Development and Property Management. The department has seen an improvement in the payments within 30 days and management of the budget due to Property Leases being adequately funded.

However, underspending is affected by delays in the implementation of Infrastructure projects due to the COVID-19 restrictions. Some of the CAPEX projects are still at a tender stage. Spending on Rates & Taxes reflects a significant increase towards quarter three.

Programme 3: Expanded Public Works

EPWP spending is low when compared to the previous financial year due to delays in NYS recruitment programme and the implementation of training. To date the program spent R64 million of the allocated budget.

6. Departmental Receipts

TABLE 15.9: DEPARTMENTAL RECEIPTS

| Department | 2020/21 Audited Outcome | | | | 2021/22 Preliminary Receipts | | |
|---|----------------------------|----------------------|---------------------|---|---------------------------------|----------------------|---------------------------------|
| | Adjusted appropriation | Apr 2020 - Sept 2020 | Apr 2020 - Mar 2021 | Apr 2020 -Mar 2021 as a % of adjusted appropriation | Adjusted appropriation | Apr 2021 - Sept 2021 | % change 20/21 - 21/22 Apr-Sept |
| R thousand | | | | | | | |
| Tax receipts | | | | | | | |
| Sales of goods and services other than capital assets | 13 138 | 5 762 | 12 374 | (6)% | 29 260 | 7 911 | 37% |
| Transfers received | | | | | | | |
| Fines, penalties and forfeits | | | | | | | |
| Interest, dividends and rent on land | | 2 | 503 | | | | (100)% |
| Sales of capital assets | | | | | | | |
| Financial transactions in assets and liabilities | 730 | 35 | 3 028 | 315% | 770 | 338 | 866% |
| Total | 13 868 | 5 799 | 15 905 | 15% | 30 030 | 8 249 | 42% |

Revenue trends for the first half of the 2021/22 financial year

The departments revenue has not been adjusted and will remain at R30 million for the current financial year. Revenue collected amounts to R8.2 million in the first six months of the current financial year. The under-collection is primarily influenced by improvements on collection of rental payments.

7. Changes to Transfers and Subsidies, Conditional Grants and Infrastructure

Changes to transfer and subsidies

No changes.

Changes to Conditional grant

No changes.

Changes to Infrastructure

Please refer to the 2021/22 Adjusted Estimates of Capital Expenditure (AECE).

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