



Gauteng Provincial Treasury

ADJUSTED ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE 2020



GAUTENG PROVINCE
TREASURY
REPUBLIC OF SOUTH AFRICA



GGT2030
GROWING GAUTENG TOGETHER

ADJUSTED ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE 2020



PR357/2020
ISBN: 978-0-621-48902-6

The Adjusted Estimates of Provincial Revenue and Expenditure 2020 is compiled using the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision

To obtain additional copies of this document, please contact:
The Head of Department
Gauteng Department of Finance
Gauteng Provincial Government
Private Bag X12, Marshalltown, 2107
Telephone +2711 689 6000

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ABBREVIATIONS

Abbreviations	Description
AECE	Adjusted Estimates of Capital Expenditure
AIDS	Acquired immunodeficiency syndrome
ANC	African National Congress
ARV	Anti -Retroviral Treatment
BAC	Budget At Completion
CASP	Comprehensive Agricultural Support Programme
CDW	Critical Design Walkthrough
CFO	Chief Financial Officer
CPA	Contract price adjustment
CRL	Cultural, Religious and Linguistic
CRM 7	Customer Relationship Management
CYCCs	Child and Youth Care Workers
DDI	Domestic Direct Investment
DED	Department of Economic Development
DID	Department of Infrastructure Development
DLTC	District Level Technical Committee
DNO	Did Not Operate
DSACR	Department of Sport, Arts, Culture and Recreation
ECD	Early Childhood Development
ECM	Enterprise Content Management
EEDBS	Enhanced Extended Discount Benefit Scheme
EMS	Emergency Medical Services
EPWP	Extended Public Works Programme
ERWAT	Ekurhuleni Water Care Company
FDI	Foreign Direct Investment
FMDC	Fully data managed Center
GBN	Gauteng Broadband Network
GBV	Gender-Based Violence
GCRA	Gauteng City Region Academy
GCRO	Gauteng City Region Observatory
GET	General Education and Training
GDARD	Gauteng Department of Agriculture and Rural Development
GDED	Gauteng Department of Economy Development
GEP	GAUTENG ENTERPRISE PROPELLAR
GEPP	Government Employees Pension Fund
GGB	Gauteng Gambling Board
GGDA	Gauteng Growth Development Agency
GIFA	Gauteng Infrastructure Funding Agency
GIS	Geographic Information System
GPG	Gauteng Provincial Government
GPL	Gauteng Provincial Legislature
GPT	Gauteng Provincial Treasury
GTA	Gauteng Tourism Authority
GTMI	Gauteng Technical Manufacturing Initiative
HIV	Human Immunodeficiency Virus
HOD	Head of Department
HR	Human Resources
HSDG	Human Settlements development grant

ICT	Information Communication Technology
IDMS	Infrastructure Delivery Management System
IFFD	international firefighter's day
IGR	Inter-Governmental Revenue
IT	Information Technology
LAN	Local Areal Network
LGBTI	Lesbian Gay, Bisexual Transgender and Intersex
LPIDG	Learners with Profound Intellectual disability grant
LSEN	Lerners with Special Educational Needs
LTSM	Lerners and Teacher Support Materials
MEC	Members of the Executive Council
MST	Mathematics, Science and Technology
NDHS	National Department of Human Settlements
NDP	National Develoment Plan
NHI	National Health Insurance
NPI	non-profit institutions
NQF	National Qaulification Framework
NYS	National Youth Service
OHS	Occupational Health and Safety
OSD	occupational Specific Dispensation
PAEPL	Provincial Allocation per Learner
PDMC	Provincial Disaster Management Act
PMS	Performance Management System
PMU	project management unit
PPEs	personal protective equipment
PRF	Provincial Revenue Fund
PSIRA	Private Security Industry Regulatory Authority
RDP	Reconstruction and Development Program
RLRP	Rapid Land Release Programme
SAP	System Application Programme
SARS	South African Revenue Service
SASDC	South African Supplier Development Council
SETA	Sector Education and Training Authority
SEZ	Special Economic Zone
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMS	Short Message Service
SOC	Security Operations Centre
SOPA	State of the Province Address
SSIP	Secondary School Improvement Programme
TB	TuBerculosis
TDRG	Title Deeds Restoration Grant
TMR	Transformation, Modernisation and Re-industrialisation
USP	Upgrading Support Programme
WLHM	Women's Living Heritage Monument

SUMMARY OF ADJUSTMENTS FOR 2020/21

1. Adjusted Estimates of Provincial Revenue and Expenditure

The Gauteng Provincial Government (GPG) has implemented the provincial adjustments budget process as per the provision of section 18(1)(a) of the Public Finance Management Act (Act number 1 of 1999)(PFMA) to facilitate the compilation of the 2020/21 provincial adjustments budget as per the provision of section 31 of the PFMA. The provincial adjustments budget revises and adjusts the 2020/21 provincial special adjusted budget that the Gauteng Member of Executive Council (MEC) for Finance tabled at the Gauteng Provincial Legislature on 20 July 2020. This adjustments budget process provides for all the adjustments that were not included in the Special Adjustments Budget that was tabled in July 2020.

The GPG therefore revises the estimates of provincial expenditure by appropriating funds to provide for the government priorities; the shifting of funds between and within votes to follow the transfer of functions; the utilisation of savings under one main division to defrayment of 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 include the budget cuts to implement the government's initiative to reduce the growth of the public sector wage bill, reductions in the national conditional grants to fund the South African Airways rescue plan, additions allocated for the food relief programme and the Presidential Employment Interventions.

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 2020/21 adjustments budget is prepared in an economic environment where the global economy is beginning to recover from the impact of the COVID-19 pandemic. The global economy performed better than expected in the second and third quarters and is expected to have a strong recovery. Growth for 2021 is projected to rebound to 5.2 per cent.

The economy of South Africa has not shown signs of recovery. The data in the second quarter showed the extent of the negative impact of COVID-19 on economic activity, which was evident as the economy significantly declined. As more data became available including the second-quarter Gross Domestic Product (GDP), the National Treasury has revised its initial projection of a 7.2 per cent economic contraction to 7.8 per cent contraction in 2020, mainly because of the national lockdowns. However, in 2021 a stronger recovery to 3.3 per cent is expected.

In the second quarter of 2020, the Gauteng economy contracted by 16.1 per cent after a contraction of 0.8 per cent in the first quarter. This was due to the restricted economic activity during the national lockdown implemented to respond to the COVID-19 pandemic. It is projected that the provincial economy will have recovered in the next data release given that the domestic lockdown was substantially lifted in the third quarter. However, it is highly unlikely that the economic performance will have returned to pre-pandemic levels for the foreseeable future.

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

2. Summary of the 2019 Adjusted Estimates of Provincial Receipts

2.1. Provincial receipts

TABLE 1: SUMMARY OF CHANGES TO RECEIPTS

R thousand	Special Adjusted Appropriation	Adjustments		Total Adjustments	Adjusted appropriation
		National Funding	Provincial Funding		
Equitable Share	112 117 907	(3 807 791)		(3 807 791)	108 310 116
Conditional Grants	23 484 852	605 120		605 120	24 089 972
Transfers from National	135 602 759	(3 202 671)		(3 202 671)	132 400 088
Provincial Own Receipts	5 949 006				5 949 006
Gross Receipts	141 551 765	(3 202 671)		(3 202 671)	138 349 094
Less: Direct charges - Political Office Bearers	(77 245)		(2 060)	(2 060)	(79 305)
Total Receipts	141 474 520	(3 202 671)	(2 060)	(3 204 731)	138 269 789
#Financing from revenue fund	4 929 047		465 219	465 219	5 394 266
Net Receipts	146 403 567	(3 202 671)	463 159	(2 739 512)	143 664 055

The provincial receipts decrease from R141.5 billion to R138.3 billion. The net decrease of R3.2 billion includes R3.8 billion reduction in provincial equitable share and R605.1 million addition to conditional grants. The reduction in provincial equitable share emanates from the R4.9 billion gross reduction in provincial compensation of employees to curb growth in the public sector wage bill and to support fiscal consolidation. The increase in conditional grants provides for rollovers and the prioritised initiatives funded through the Presidential Employment Intervention. Included in the special adjusted appropriation amount of R4.9 billion financing from the Provincial Revenue Fund is R116 million for the COVID-19 disaster relief that the province received from the National Government before 1 April 2020.

The direct charges increase by R2.1 million from R77.2 million to R79.3 million to provide for the once-off gratuity payment to public office bearers who did not return to office in the 6th Administration. The direct charges against the Provincial Revenue Fund relate to the remuneration of public office bearers in line with the legislation.

2.2 Changes to Conditional Grants

TABLE 2: SUMMARY OF CHANGES TO CONDITIONAL GRANTS

R thousand	Special Adjusted Appropriation	Adjustment	Adjusted Appropriation
Economic Development	2 000		2 000
EPWP Integrated Grant	2 000		2 000
Health	13 395 269	248 666	13 643 935
Comprehensive HIV, Aids Grant and TB Grant	5 863 676	64 882	5 928 558
<i>Community Outreach Services Component</i>	462 701	(3 805)	458 896
<i>Comprehensive HIV, AIDS Grant Component</i>	4 530 092	75 600	4 605 692
<i>Tuberculosis Component</i>	89 801	(739)	89 062
<i>COVID-19 component</i>	750 655	(6 174)	744 481
<i>Human Papillomavirus Vaccine Grant</i>	30 427		30 427
Health Facility Revitalisation Grant	968 210		968 210
National Health Insurance Grant	53 674		53 674
National Tertiary Services Grant	5 025 579	118 904	5 144 483
Statutory Human Resources, Training and Development Grant	1 336 008	64 286	1 400 294
Provincial Disaster Relief Grant	115 996		115 996
EPWP Integrated Grant	2 196		2 196
Social Sector EPWP Incentive Grant	29 930	594	30 524
Education	2 291 059	52 375	2 343 434
Education Infrastructure Grant	1 274 620		1 274 620
HIV and Aids (Life Skills Education) Grant	27 961		27 961
National School Nutrition Programme Grant	905 006	50 652	955 658
Maths, Science and Technology Grant	47 654	1 723	49 377
Learners with Profound Intellectual Disabilities Grant	33 715		33 715
EPWP Integrated Grant	2 103		2 103
Social Development	156 386	77 763	234 149
Early Childhood Development Grant	135 229	77 763	212 992
Social Sector EPWP Incentive Grant	21 157		21 157
Cooperative Governance and Traditional Affairs	2 000		2 000
EPWP Integrated Grant	2,000		2,000
Human Settlements	4 202 217	165 003	4 367 220
Human Settlement Development Grant	4 134 993	109 420	4 244 413
Title Deeds Restoration Grant	57 040	55 583	112 623
EPWP Integrated Grant	10 184		10 184
Roads and Transport	3 241 433	45 491	3 286 924
Provincial Roads Maintenance Grant	632 172	45 491	677 663
Public Transport Operations Grant	2 599 291		2 599 291
EPWP Integrated Grant	9 970		9 970

R thousand	Special Adjusted Appropriation	Adjustment	Adjusted Appropriation
Agriculture and Rural Development	115 413	17 130	132 543
Comprehensive Agricultural Support Programme Grant	82 646	17 493	100 139
Ilima/Letsema Projects Grant	25 709	(306)	25 403
Land Care Programme Grant: Poverty Relief and Infrastructure Development	4 787	(57)	4 730
EPWP Integrated Grant	2 271		2 271
Sport, Arts, Culture and Recreation	173 908	(1 308)	172 600
Community Library Services Grant	132 081	(1 542)	130 539
Mass Sport and Recreation Participation Programme Grant	39 827	234	40 061
EPWP Integrated Grant	2 000		2 000
Infrastructure Development	21 163		21 163
EPWP Integrated Grant	21 163		21 163
Total Changes in Conditional Grants	23 600 848	605 120	24 205 968

Table above represents the adjustments to the conditional grants' allocation for the various provincial departments during the 2020/21 financial year. The total allocation for the conditional grants increases by R605.1 million from R23.6 billion to R24.2 billion.

The details of the changes are as follows:

Gauteng Department of Health: R248.7 million

The conditional grants allocated to the department are adjusted to appropriate approved rollovers from the preceding financial year of which R112.9 million is from the Comprehensive HIV, AIDS and TB Grant to fund commitments on machinery and equipment, R144.6 million is from the National Tertiary Services Grant to fund commitments on machinery and equipment, R30.9 million is from the Statutory Human Resources and Training and Development Grant and R594 000 is for the Social Sector Expanded Public Works grant to fund commitments.

A total amount of R47.9 million is surrendered from the Comprehensive HIV, AIDS and TB Grant due to a reduction in this grant by the national government to fund the rescue plan of the South African Airways. Of this total amount, R3.8 million is from the Community Outreach Component, R37.3 million is from the Comprehensive HIV, AIDS component, R739 000 is from the Tuberculosis component and R6.2 million is from the COVID-19 component. In line with this principle, the National Tertiary Services Grant is also adjusted downward by R25.7 million.

An amount of R33. 3 million is added to the Statutory Human Resource Training and Development Grant to appoint enrolled nurses and assistance/auxiliary nurses on a contract basis until the end of March 2021.

Gauteng Department of Education: R52.4 million

An amount of R52.4 million is rolled over from the previous financial year of which R50.7 million is for the National School Nutrition Programme Grant to pay invoices that could not be submitted by service providers due to the unforeseen lockdown protocols and to fund the project to install washing basins at schools that could not be completed since some imported basins could not be delivered due to lockdown and COVID-19 restrictions. An amount of R1.7 million is for the Maths, Science and Technology Grant to settle invoices that were submitted late due to delays in concluding contracts which affected the procurement processes.

Gauteng Department of Social Development: R77.8 million

An additional R77.8 million is allocated to the subsidy component of the Early Childhood Development (ECD) Grant. The additional funds will be used for the employment of risk support for ECD practitioners, social workers and support staff employed at ECD centres as part of Presidential Employment Intervention. These funds will be disbursed through transfers to non-profit organisations.

Gauteng Department of Human Settlements: R165 million

The department received approval from National Treasury for the rollovers amounting to R165 million for Human Settlement Development Grant (R109 million) and the Tittle Deeds Restoration Grant (R56 million) to cater for accruals and commitment on projects from the previous financial year.

Gauteng Department of Road and Transport: R45.5 million

The conditional grant budget of the department increases from R3.24 billion to R3.29 billion due to an amount of R45.5 million allocated to augment the infrastructure budget for the outsourced routine maintenance class 1&2 for presidential job creation on rural routes.

Gauteng Department of Agriculture and Rural Development: R17.1 million

An amount of R18.4 million is approved as a rollover for the Comprehensive Agricultural Support Programme (CASP) Grant that will fund the following projects: supply and delivery of production inputs, supply and delivery farming equipment, drilling and testing of boreholes. The difference is R1.2 million surrendered to the national department of which R900 000 is for the Comprehensive Agricultural Support Programme Grant, R306 000 is reduced on piggery and livestock commodity improvements; thus, reducing the quantity of the provision and supply of piggery production inputs and animal feeds and the remainder of R57 000 is the budget for Land Care Programme Grant that was provided for the development of Gauteng Land Care Strategy, Gauteng West invasive alien plants eradication and size of hectares for bush encroachment.

Gauteng Department of Sport, Arts, Culture and Recreation: (R1.3 million)

The national government reduced the Community Library Services grant by R1.5 million and the Mass Sport and Recreation Participation grant by R913 000 to fund the business rescue plan for the South African Airways.

An amount of R1.1 million of the Mass Sport and Recreation Participation Programme Grant is rolled over from the preceding financial year to fund the acquisition of transport services, equipment and attire for the club development and Siyadlala community programmes. This amount includes R450 000 to fund the transfer to the Gauteng Athletics and the Gauteng Lion Rugby Federations.

3. Summary of the 2020 Adjusted Estimates of Provincial Expenditure

3.1 Changes to Provincial Payments by Vote

TABLE 3: CHANGES TO PROVINCIAL PAYMENTS BY VOTE

Department '000	Special Adjusted Appropriation	Function Shifts, Surrenders and Suspensions	Rollovers	National Funding	Provincial Funding	Total Adjustments	Adjusted Appropriation
Office of the Premier	841 897	(20 159)			64 300	44 141	886 038
Gauteng Provincial Legislature	817 763						817 763
Economic Development	1 998 854	(54 262)				(54 262)	1 944 592
Health	60 276 588	(1 740 651)	339 889	(40 323)		(1 441 085)	58 835 503
Education	54 462 971	(2 824 106)	52 375	1 085 722	99 636	(1 586 373)	52 876 598
Social Development	5 823 317	(117 947)		181 979		64 032	5 887 349
Cooperative Governance and Traditional Affairs	634 793	(22 821)				(22 821)	611 972
Human Settlements	5 141 243	(35 372)	172 036		100 000	236 664	5 377 907
Roads and Transport	8 175 131	(61 583)		45 491	218 957	202 865	8 377 996
Community Safety	930 726	(42 085)	5 533		5 274	(31 278)	899 448
Agriculture and Rural Development	964 473	(37 988)	18 404	(1 274)	51 098	30 240	994 713
Sport, Arts, Culture and Recreation	902 603	(25 783)	3 147	(2 455)		(25 091)	877 512
e-Government	1 416 182	(29 745)				(29 745)	1 386 437
Gauteng Provincial Treasury	739 234	(61 776)				(61 776)	677 458
Infrastructure Development	3 262 793	(65 022)				(65 022)	3 197 771
Total	146 388 567	(5 139 300)	591 384	1 269 140	539 265	(2 739 511)	143 649 056

Gauteng Office of the Premier: R44.1 million increase

The 2020/21 appropriation increases by R44.1 million from R841.9 million to R886 million. The R64.3 million addition to the appropriation includes R49.6 million allocated to provide for the payment 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, R14.7 million for compensation of employees to increase capacity of the Hotline Unit through the appointment of 250 learners for 12 months to assist with COVID-19 high call volumes. The R20.1 million reduction includes the budget cuts implemented to reduce growth in public sector wage bill, the reallocation of funds to reimburse the Gauteng Department of Health for

the COVID-19 personal protective equipment it procured on behalf of the department and the reallocation from Gauteng Provincial Treasury to fund the probity audit function that migrated from Gauteng Provincial Treasury.

Gauteng Provincial Legislature:

No changes.

Gauteng Department of Economic Development: R54.3 million decrease

The net decrease of R54.3 million includes the budget cut implemented to support the government's initiative to contain the growth of the public sector wage bill within affordable levels, the PPE procured by the Department of Health on behalf of the department and the budget reallocated from Gauteng Provincial Treasury to fund the probity audit function that migrated from Gauteng Provincial Treasury.

Gauteng Department of Health: R1.4 billion decrease

The appropriation of the Gauteng Department of Health reduces by a net amount of R1.4 billion. The decrease is mainly attributable to the surrender of R2 billion from compensation of employees to implement the government's initiative to reduce the growth of the public sector wage bill. Furthermore, the Comprehensive HIV, AIDS and TB grant is reduced by a total of R47.9 million of which R3.8 million is from the Community Health Outreach component, R37.2 million from Comprehensive HIV, AIDS component, R739 000 from the Tuberculosis component and R6.1 from the COVID-19 component. However, the Statutory Human Resources Training and Development Grant is adjusted upward by R33.3 million to fund the Presidential Employment Initiative through the appointment of nurses and assistant/auxiliary nurses on a contract basis until 31 March 2021. Another upward adjustment is the appropriation of R324.9 million which is reallocated from the provincial departments that benefitted from the central procurement of personal protective equipment (PPE). The procurement of PPE was decentralised in the province effective 1st July 2020.

A total amount of R339.9 million is appropriated as roll-overs from the preceding financial year of which R50.9 million is from the equitable share and R288.4 million from conditional grants.

Gauteng Department of Education: R1.6 billion decrease

The appropriation of the department is R1.6 billion lower during the adjustments budget process. The department surrenders an amount of R2.8 billion of which R2.4 billion is from compensation of employees in support of the country's fiscal consolidation strategy to reduce the budget deficit by containing the growth of the public sector wage bill. This amount was initially allocated for improvement in conditions of service (ICS) and for the conversion of Early Childhood Development (ECD) practitioners' into PL1 posts. However, R641 million is taken from goods and services since the budget for compensation of employees was redirected during the special adjustments budget with R1.7 billion taken from the line item. The total surrender includes an amount of R140 million from the Gauteng City Region Academy (GCRA) since bursary payments to higher education institutions cannot be processed before financial year-end due to the impact of COVID-19 on the academic year of universities. This amount will be reallocated to the department in the 2021/22 financial year to pay bursaries for the upcoming academic year. Furthermore, R300 million is surrendered for reallocation to the Gauteng Department of Health to reimburse it for the procurement of personal protective equipment (PPE) on behalf of the department.

The department receives a suspension of R4.1 million from the Gauteng Provincial Treasury (GPT) to appoint probity auditors for implementation of the open tender process. In addition, R1.1 billion is received from national to implement the Presidential Employment Initiative; R99 million is received from the province for the maintenance and repairs of infrastructure at schools which was vandalised during the lockdown period; and for the accelerated implementation of the Grade 9 and Grade 10 "Smart Classrooms" with access to computers and broadband internet.

The adjustments also include the appropriation of approved rollovers which amount to R52.2 million of which R50.6 million forms part of the National School Nutrition Programme grant and R1.7 million the Maths, Science and Technology grant.

Gauteng Department of Social Development: R64 million increase

The net increase in the appropriation includes an additional budget of R181.9 million which comprises of R77.7 million allocated to the subsidy component of the ECD Grant as part of the Presidential Employment Initiative to respond to the increase in unemployment due to the COVID-19 pandemic. Through the additional allocation, the department will be able to provide employment risk support in both registered and unregistered ECD centres and also top-up the salaries in ECD facilities for the additional duties of compliance support. An amount of R104.2 million is allocated to the food relief programme of which R16.7 million is for food distribution centres and R87.5 million is for the procurement and distribution of food parcels. The food relief programme will be concentrated in areas where there is a high prevalence of hunger. Moreover, the compensation of employees' budget is adjusted downward by R118.7 million.

The adjustments also include the reallocation of funds for probity audit and a suspension to the Gauteng Department of Health for personal protective equipment bought on behalf of the department.

Gauteng Department of Cooperative Governance and Traditional Affairs: R22.8 million decrease

The implementation of the government's initiative to reduce growth of the public sector wage bill results in the R22.9 million decrease in the department's appropriation for compensation of employees and R178 000 reallocation of probity audit function to the department.

Gauteng Department of Human Settlements: R236.6 million increase

The appropriation increases by a net amount of R236.6 million in 2020/21. The additions to the appropriation include R165 million approved rollover to fund the 2019/20 accruals and commitment on projects of the Human Settlements Development Grant and the Tittle Deeds Restoration Grant, R7 million approved rollover to fund the payment of property rates and taxes on non-transferred RDP stock in five provincial hostels, R100 million allocated for the debt that is owed to the Red Ants and R1.4 million reallocated from Gauteng Provincial Treasury to fund the probity audit function that migrated from Gauteng Provincial Treasury.

The reduction of R31.4 million is the budget cut in compensation of employees to implement the government's initiative to reduce growth of the public sector wage bill and R5.3 million is for the personal protective equipment procured on behalf of the department.

Gauteng Department of Roads and Transport: R202.8 million increase

There is a net increase of R202.8 million in the department's appropriation. The additions amount to R264.4 million to provide for Provincial Roads Maintenance grant and an increase in the patronage guarantee subsidy for Gautrain. . The reductions amount to R61.6 million and they include the budget cuts implemented to reduce growth in public sector wage bill, the reallocation of funds to reimburse the Gauteng Department of Health for the COVID-19 personal protective equipment it procured on behalf of the department and the probity audit function that migrated from Gauteng Provincial Treasury.

Gauteng Department of Community Safety: R31.3 million decrease

The appropriation is R31.3 million lower during the adjustments budget process. The net decrease includes the budget cuts implemented to reduce growth in public sector wage bill and the reallocation of funds to reimburse the Gauteng Department of Health for the COVID-19 personal protective equipment it procured on behalf of the department. It also includes a rollover approved for the settlement of g-fleet accruals and funds from other stakeholders such as SANRAL and Gauteng Office of the Premier.

Gauteng Department of Agriculture and Rural Development: R30.2 million increase

The appropriation is adjusted upwards from R964.4 million to R994.7 million, increasing by a net amount of R30.2 million. The adjustments includes a surrender amount to R38 million and is disaggregated into R33.2 million from compensation of employees and R4.5 million is surrendered from IDMS capacity development due to delays in implementation of projects: maintenance of the tourism facilities infrastructure at Abe Bailey Nature Reserve, upgrading and additions for Southern Water line at Suikerbosrand nature reserve.

The conditional grant budget cuts amounting to R1.2 million are due to delays in implementation of projects.

Furthermore, an amount of R18.4 million is approved as a rollover for Comprehensive Agricultural Support Programme (CASP) grant that will fund the following projects: supply and delivery of production inputs, supply and delivery farming equipment, drilling and testing of boreholes.

The additional allocation of R51 million is to address waste management and environmental pollution in Emfuleni Local Municipality by providing basic waste management services such as household collection, illegal dumping clearance and recycling.

Gauteng Department of Sport, Arts, Culture and Recreation: R25.1 million decrease

The budget of the department is adjusted to appropriate rollovers, surrender funds and to reprioritise funding between and within programmes and items to ease emerging spending pressures. The appropriation is adjusted downward by a net amount of R25.1 million from a budget of R902.6 billion to an adjusted appropriation of R877.6 million. This net amount comprises of rollovers approved nationally and provincially of R3.1 million.

The total amount of R25.7 million surrendered, includes R2.7 million from the infrastructure budget, R18.5 million from the compensation of employees' budget, R3 million from the budget allocated to the Kagiso Memorial and R1.1 million from the Gauteng Film Commission. Also, an amount of R440 000 suspended to the Gauteng Department of Health for expenditure incurred on the procurement of personal protective equipment (PPE) on behalf of the department.

The budget is further reduced by R2.5 million from the conditional grant allocations to fund the rescue plan for the South African Airways.

Gauteng Department of e-Government: R29.7 million decrease

The implementation of budget cuts to reduce growth in public sector wage bill and the reallocation of funds to reimburse the Gauteng Department of Health for the COVID-19 personal protective equipment it procured on behalf of the department reduce the appropriation of the department by R29.7 million.

Gauteng Provincial Treasury: R61.8 million decrease

The appropriation decreases by R61.8 million in 2020/21. The reduction includes R34.9 million budget cut in the department's compensation of employees and R2.8 million budget cut in GIFA's compensation of employees that is implemented to reduce growth in public sector wage bill, R23.3 million is reallocated to provincial departments to fund the decentralisation of the probity audit function from Gauteng Provincial Treasury and R796 000 is reallocated to reimburse the Gauteng Department of Health for the COVID-19 personal protective equipment it procured on behalf of the department.

Gauteng Department of Infrastructure Development: R65 million decrease

The appropriation reduces by R65 million because of R71.6 million budget cuts to reduce growth in public sector wage bill and the addition of R6.6 million reallocated from Gauteng Provincial Treasury to fund the probity audit function that migrated from Gauteng Provincial Treasury.

3.2 Changes to Provincial Payments by Economic Classification

TABLE 4: CHANGES TO PROVINCIAL PAYMENTS BY ECONOMIC CLASSIFICATION

Economic classification R Thousand	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjust- ments	Adjusted Ap- propriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Fund- ing: National	Additional Fund- ing: Provincial		
Current payments	118 422 216	(4 947 623)	129 825	(1 255 307)	115 378	265 434	(5 692 293)	112 729 923
Compensation of employees	82 885 146	(4 310 296)		(757 533)	31 899	14 700	(5 021 230)	77 863 916
Goods and services	35 536 003	(637 327)	129 825	(498 042)	83 479	250 734	(671 331)	34 864 672
Interest and rent on land	1 067			268			268	1 335
Transfers and subsidies	22 316 763	(188 717)	167 453	(665 334)	1 173 260	268 557	755 219	23 071 982
Payments for capital assets	5 649 589	(2 960)	294 106	1 920 613	(19 498)	5 274	2 197 535	7 847 124
Payments for financial assets				28			28	28
Total economic clas- sification	146 388 567	(5 139 300)	591 384		1 269 140	539 265	(2 739 511)	143 649 056

Current Payments

The budget for compensation of employee decreases from Special Adjustment budget of R82.9 billion to R77.9 billion. The implementation of the government's initiative to reduce the growth of the public sector wage bill is the major cause of the reduction. The social sector departments contribute significantly to this reduction. The Gauteng Department of Health contributes R2 billion, Gauteng Department of Education R1.7 billion and Gauteng Department of Social Development R118 million. The national government reduced the province's allocation for compensation of employees by R4.9 billion.

The other adjustments to compensation of employees reflect in Gauteng Department of e-Government that reallocates funds from this budget towards ICT-related spending pressures. The Gauteng Provincial Treasury reallocates a portion of this budget to augment the funding for the decentralisation of the probity audit function.

The Gauteng Department of Health receives an additional R33.3 million under the Statutory Human Resources Training and Development Grant to fund the Presidential Employment Initiative through the appointment of nurses and assistant/auxiliary nurses on a contract basis until 31 March 2021. It also shifts R702 million to align the personnel budget with expenditure and in line with reclassification of budget to implement the provincialisation of the Ekurhuleni EMS services.

The Gauteng Department of Infrastructure Development reallocates R43 million from compensation of employees of National Youth Service programme towards prioritised goods and services. Other departments have shifted funds within compensation of employees to align organizational structures with operational requirements.

There is a net decrease of R1 billion in goods and services which results mainly from virements and shifts as well as function shifts, surrenders and suspensions. The Gauteng Department of Education surrenders funds to a tune of R936 million. Provincial departments reallocate R324.8 million to the Gauteng Department of Health to pay for personal protective equipment that the Gauteng Department of Health procured on behalf of these departments.

The R58.6 million approved for rollovers in goods and services relate to the Gauteng Department of Health and Gauteng Department of Education for the procurement of medical supplies and laboratory services as well as invoices for the National School Nutrition Programme and for the Maths, Science and Technology Grant.

Provincial departments reprioritised funds, through virements and shifts, towards critical spending areas under goods and services. The Gauteng Department of Economic Development reprioritised R209 million to fund the following projects: the Vaal Special Economic Zone Programme Management unit (PMU); Basha Uhuru, Gauteng Liquor Board Compensation of employees; co-hosting of the World Tourism Day, Tourism Development Capacity and the operational costs for Maropeng A' Africa Leisure (MAL).

Additions to goods and services include R51 million allocated to the Gauteng Department of Agriculture and Rural Development to address waste management and environmental pollution in Emfuleni Local Municipality. They also include R100 million allocated to Gauteng Department of Human Settlements to fund the debt that is owed to the Red Ants. In Gauteng Department of Education, R99 million is added to provide for the maintenance and repairs of infrastructure at schools which was vandalised during the lockdown period and for the accelerated implementation of the Grade 9 and Grade 10 "Smart Classrooms" with access to computers and broadband internet.

Reductions in goods and services include national funding in conditional grants that were reviewed to fund the South African Airways business rescue plan.

Transfers and subsidies

There is a net decrease of R686.6 million in transfers and subsidies mainly because of virements and shifts. This reduction reflects in Gauteng Department of Human Settlements that reclassifies R824 million for the Human Settlement Development Grant from households under transfers and subsidies to land and subsoil assets under payments for capital assets as per housing sector transactional guide.

Through virements and shifts, the Gauteng Department of Health shifts R112 million from transfers to municipalities and reallocates it to compensation of employees and payments for capital assets to fund the requirements of the provincialisation of Ekurhuleni Emergency Medical Services. Further reductions in transfers and subsidies relate to the surrender of R140 million in transfers to households which is for unspent GCRA bursaries in Gauteng Department of Education. The implementation of the government's initiative to reduce the growth of the public sector wage bill results in departmental agencies in Gauteng Department of Economic Development and Gauteng Department of Roads and Transport surrendering R48.7 million.

Additions to transfers and subsidies include R165 million approved rollover of the Human Settlements Development Grant and the Tittle Deeds Restoration Grant to pay for accruals and commitments. They also include the national funds received as part of the Presidential Employment Initiative to respond to the increase in unemployment due to the COVID-19 pandemic and these funds are allocated in Gauteng Department of Education, Gauteng Department of Social Development and Gauteng Department of Roads and Transport. The allocation of R49.6 million for the claims of acutely ill mental health care users in Gauteng Office of the Premier increases transfers to households.

Payments for capital assets

There is R1.9 billion net increase in payments for capital assets mainly through virements and shifts. Included in this amount is the R1.4 billion increase in building and fixed structures to which the Gauteng Department of Health contribute significantly. The department reprioritised budget to cover costs for the variation orders in multiple projects because of the COVID-19 lockdown regulations and because of investment in Alternative Building Technology projects.

Through virements and shifts, land and subsoil assets increase because the Gauteng Department of Human Settlements reclassifies R824 million for the Human Settlement Development Grant from transfers to households and reallocates it to land and subsoil assets as per housing sector transactional guide. The Gauteng Department of Education contributes to the increase in land and subsoil assets. It allocates funds to undertake a massive school infrastructure programme in the province to address the demand for new spaces caused by an increase in learner numbers. Also, through virements and shifts, the Gauteng Department of e-Government increases software and other intangible assets as it reclassifies R40 million for Microsoft licenses from computer services in goods and services.

The Gauteng Department of Community Safety contributes to the adjustment of machinery and equipment through R5.5 million rollover approved to settle g-fleet accruals. A reduction in machinery and equipment reflects in Gauteng Department of Health that reduce the budget by R600 million based on the review of the infrastructure portfolio to determine the projects that can still be delivered during the remainder of the financial year.

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

TABLE 5: SUMMARY OF THE ADJUSTED ESTIMATES OF PROVINCIAL OWN RECEIPTS

R thousand	Special Adjusted Appropriation	Total Adjustments	Adjusted Appropriation	Actual Receipts
				April - September 2019
Office of the Premier	423		423	167
Economic Development	721 385		721 385	109
Health	500 000		500 000	209 085
Education	34 572		34 572	19 087
Social Development	3 799		3 799	2 328
Cooperative Governance and Traditional Affairs	327		327	183
Human Settlements	5 772		5 772	243
Roads and Transport	4 067 973		4 067 973	1 483 953
Community Safety	37 617		37 617	11 611
Agriculture and Rural Development	10 417		10 417	12 450
Sport, Arts, Culture and Recreation	356		356	156
E-Government	702		702	107
Gauteng Provincial Treasury	551 795		551 795	393 632
Infrastructure Development	13 868		13 868	5 799
Total Changes in Own Receipts	5 949 006		5 949 006	2 138 910

There are no adjustments to the provincial own receipts.

VOTE 1**OFFICE OF THE PREMIER**

R thousand	2020/21			
	Special adjusted appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	841 897	886 038	44 141	
of which:				
Current payments	550 573	539 000	(11 573)	
Transfers and subsidies	279 089	331 714	52 625	
Payments for capital assets	12 235	15 324		3 089
Payment for financial assets				
Executive authority	Premier			
Accounting officer	Director General			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 1.1 OFFICE OF THE PREMIER

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		
1. Administration	265 025	(3 007)		8 782		49 600	55 375	320 400
2. Institutional Development	261 401	(11 156)		2 798		14 700	6 342	267 743
3. Policy & Governance	315 471	(5 996)		(11 580)			(17 576)	297 895
Total for Programmes	841 897	(20 159)				64 300	44 141	886 038
Economic classification	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		
Current payments	550 573	(20 159)		(6 114)		14 700	(11 573)	539 000
Compensation of employees	356 576	(14 241)				14 700	459	357 035
Salaries & wages	314 698	(13 548)		2 313		14 155	2 920	317 618
Social contribution	41 878	(693)		(2 313)		545	(2 461)	39 417
Goods and services	193 997	(5 918)		(6 114)			(12 032)	181 965
Transfers and subsidies	279 089			3 025		49 600	52 625	331 714
Higher education institutions	27 782			2 400			2 400	30 182
Non-profit institutions	131 108							131 108
Households	120 199			625		49 600	50 225	170 424
Payments for capital assets	12 235			3 089			3 089	15 324
Buildings and other fixed structures								
Machinery and equipment	12 235			3 089			3 089	15 324
Software and other intangible assets								
Payments for financial assets								
Total economic classification	841 897	(20 159)				64 300	44 141	886 038

The adjusted budget of the Gauteng Office of the Premier amounts to R886 million in 2020/21. It takes into account the additions to the budget which amount to R64.3 million and the reductions which amount to R20.2 million. The additions provide for spending pressures relating to COVID-19 and claims for acutely ill mental health care users, whilst the reductions relate to the budget cuts implemented to reduce the growth in the public sector wage bill and funds suspension among provincial departments.

The Office of the Premier reallocates the savings realised from projects and activities that are affected by COVID-19 pandemic. The budget has been reprioritised to make provision for the COVID-19 related expenditure such as an extension of the current lease agreement at the Provincial Command Centre, transportation of Hotline employees, decontamination and cleaning of office buildings and GG vehicles, data and airtime for employees and Hotline toll-free number, adverts and marketing on COVID-19 campaigns as well as the research related to COVID-19.

The budget of Programme 1: Administration increases by R8.8 million through virements and shifts to fund the COVID-19 expenditure. Programme 2: Institutional Development budget increases by R2.8 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 R11.6 million resulting from cancellation and postponement of events due to lockdown restrictions.

The adjustments reflect in all economic classification items. Shifts in compensation of employees provide for aligning salary-related payments and non-salary related payments within the programmes. Through virements and shifts, goods and services reduce by R6.1 million to fund the transfers and subsidies (R625 000) for leave gratuity payment, transfers to GCRA (R2.4 million) for skills development programme and training of military veterans and payments for capital assets (R3 million) to procure medical equipment & furniture and to cater for GG vehicles as they were on high demand during lockdown.

Compensation of employees receives an additional allocation of R14.7 million to fund the Hotline Unit for 250 learners that were appointed for a 12-months period starting from April 2020 to March 2021 to assist with COVID-19 high call volumes.

Goods and services increase by R1.8 million received from Gauteng Provincial Treasury following a function shift of the probity audit function.

An additional allocation of R49.6 million 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. To date, the Office of the Premier has made transfer payments for 50 per cent of the claims to the beneficiaries.

The department reallocates R607 000 from goods and services to reimburse the Gauteng Department of Health for Personnel Protective Equipment procured on behalf of Office of the Premier during lockdown.

The Office of the Premier reduces the budget by R21.3 million due to compulsory budget cut implemented to support the government's initiative to contain the growth of the public sector wage bill within affordable levels.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 1.2: PROGRAMME 1: ADMINISTRATION

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		
Premier's Support	18 204	(310)		2 304			1 994	20 198
Executive Council Support	10 581			(3 652)			(3 652)	6 929
Director General	178 698	(3 343)		7 809		49 600	54 066	232 764
Financial Management	54 695	646		2 247			2 893	57 588
Programme Support Programme 1	2 847			74			74	2 921
Total for Programmes	265 025	(3 007)		8 782		49 600	55 375	320 400

Economic classification	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		
Current payments		137 526	(3 007)		4 883			1 876	139 402
Compensation of employees	76 386		(3 079)					(3 079)	73 307
Salaries & wages	68 287		(2 962)		(254)			(3 216)	65 071
Social contribution	8 099		(117)		254			137	8 236
Goods and services	61 140		72		4 883			4 955	66 095
Transfers and subsidies		120 199			210		49 600	49 810	170 009
Provinces and municipalities									
Households	120 199				210		49 600	49 810	170 009
Payments for capital assets		7 300			3 689			3 689	10 989
Buildings and other fixed structures									
Machinery and equipment	7 300				3 689			3 689	10 989
Payments for financial assets									
Total economic classification		265 025	(3 007)		8 782		49 600	55 375	320 400

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

Economic classification	Motivation	From	Motivation	To
Current payments		(16 786)		21 669
Compensation of employees	Reallocation from salaries to social contributions as per needs of the programme.	(4 436)	To fund social contributions within the programme.	4 436
Goods and services	Funds not utilized as planned due to the impact of the COVID-19 pandemic: virtual meetings held, travelling restricted and re-alignment of funds within sub-programmes.	(12 350)	To fund audit fees, overtime claim services rendered by the flying squad, lease extension of the Provincial Command Centre and COVID-19 related expenditure.	17 233
Transfers and subsidies				210
Households			To pay for leave gratuity and claims for injury-on-duty.	210
Payments for capital assets				3 689
Machinery and equipment			To purchase medical furniture and equipment required for the Wellness Centre and to fund the G-fleet lease	3 689
Total economic classification		(16 786)		25 568

The budget for Programme 1 reflects a net increase of R55.4 million from R265 million to R320.4 million due to additional funds received to cater for acutely ill mental health care users' claims, COVID-19 expenditure and the probity audit function.

Virements and shifts

Through virements and shifts, the budget for Programme 1 increases by R8.8 million that is 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 non-salary payments from the budget for salaries as per the requirements of the programme in line with the approved organisation structure.

Through virements, the budget for goods and services increases by R4.8 million to provide for spending pressures in the Programme. The spending pressures relate to audit fees, an overtime claim received from the Gauteng Department of Community Safety regarding services rendered by the flying squad, an extension of the current lease agreement at the Provincial Command Centre until end of March 2021, transportation of Hotline employees, and decontamination and cleaning of office buildings and GG vehicles.

Transfers to households increase by R210 000 to provide for the payment of injury on duty claims and payment of leave gratuity to former employees. Payments for capital assets increase by R3.6 million to fund the procurement of medical furniture and equipment required for the Wellness Centre and to provide for budget pressure in respect of G-fleet lease.

Function shifts, surrenders and suspensions: R3 million

The department receives an additional R1.8 million from Gauteng Provincial Treasury following a function shift of probity audit to ensure that the department continuously maintain an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

The budget reduces by R4.8 million due to compulsory budget cut implemented to support the government's initiative to contain the growth of the public sector wage bill within affordable levels.

Additional funding provincial: R49.6 million

The department receives an additional allocation of R49.6 million 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. To date, the Office of the Premier has made transfer payments for 50 per cent of the claims to the beneficiaries.

Programme 2: Institutional Development

TABLE 1.4: PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

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		
Strategic Human Resources	108 157	(10 296)		(344)		(10 640)	97 517
Information Communication	18 399			2 930		2 930	21 329
Legal Services	13 047			(237)		(237)	12 810
Communication Services	68 326	(820)		875		55	68 381
Programme Support Programme 2	2 654	(40)		(426)		(466)	2 188
Service Delivery Interventions	50 818					14 700	65 518
Total for Programmes	261 401	(11 156)		2 798		14 700	267 743

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
R Thousand							
Current payments	257 166	(11 156)		2 376		14 700	263 086
Compensation of employees	188 909	(8 464)				14 700	195 145
Salaries & wages	166 481	(7 888)		(341)		14 155	172 407
Social contribution	22 428	(576)		341		545	22 738
Goods and services	68 257	(2 692)		2 376			67 941
Transfers and subsidies				322			322
Provinces and municipalities							
Non-profit institutions							
Households				322			322
Payments for capital assets	4 235			100			4 335
Buildings and other fixed structures							
Machinery and equipment	4 235			100			4 335
Software and other intangible assets							
Payments for financial assets							
Thefts & Losses							
Total economic classification	261 401	(11 156)		2 798		14 700	267 743

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

Economic classification	Motivation	From	Motivation	To
Current payments		(19 300)		21 676
Compensation of employees	Funds moved within and between the programmes to follow structural changes and alignment of budget with the approved organisational structure	(7 762)	Funds received to ensure that lower level items within compensation of employees are correctly funded	7 762
Goods and services	Cost saving due to cancellation of physical contact meetings and increased use of virtual meetings.	(11 538)	To fund the high usage of Hotline toll-free number during the lockdown and other COVID-19 expenditure.	13 914
Transfers and subsidies				322
Households			To pay for leave gratuity and claims for injury-on-duty.	322
Payments for capital assets				100
Buildings and other fixed structures				
Machinery and equipment			To purchase the hardware for information backup.	100
Total economic classification		(19 300)		22 098

Virements and shifts

The virements and shifts increase the budget by R2.8 million to fund key projects in response to the COVID-19 pandemic. Shifts totalling R341 000 within compensation of employees are funding the non-salary payments from the budget for salaries as per the requirements of the programme in line with the approved organisation structure.

Through virements and shifts, goods and services receive R2.4 million to cater for the new carpet installation, data cabling for Hotline, Hotline toll free number, State of the Province Address (SOPA) for 2021 and more COVID-19 campaigns. The SOPA funds were utilised for marketing and advertising COVID-19 since April 2020.

The budget for transfers to households increases by R322 000 to provide for leave gratuity payments to former employees and for injury on duty claims. The budget for payments of capital assets increase by R100 000 in Information Communication Technology sub-programme to provide the hardware to ensure a safe and reliable backup of information.

Function Shifts, Surrenders and Suspensions: R11.2 million

The Programme budget reduces by R11.2 million due to compulsory budget cut implemented to support the government's initiative to contain the growth of the public sector wage bill within affordable levels.

Additional funding provincial: R14.7 million

An additional allocation of R14.7 million for compensation of employees provides for the appointment of 250 learners on a 12-months contract (from April 2020 to March 2021) to increase the capacity in the Hotline Unit when dealing with high call volumes related to COVID-19.

Programme 3: Policy and Governance

TABLE 1.6: PROGRAMME 3: POLICY AND GOVERNANCE

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		
Intergovernmental Relations	71 526	(4 245)		(15 839)			(20 084)	51 442
Provincial Policy Management	241 283	(1 751)		4 479			2 728	244 011
Programme Support Programme 3	2 662			(220)			(220)	2 442
Total for Programmes	315 471	(5 996)		(11 580)			(17 576)	297 895

Economic classification	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		
Current payments		155 881	(5 996)		(13 373)			(19 369)	136 512
Compensation of employees	91 281		(2 698)				(2 698)	88 583	
Salaries & wages	79 930		(2 698)		2 908		210	80 140	
Social contribution	11 351				(2 908)		(2 908)	8 443	
Goods and services	64 600		(3 298)		(13 373)		(16 671)	47 929	
Transfers and subsidies		158 890			2 493		2 493	161 383	
Higher education institutions	27 782				2 400		2 400	30 182	
Non-profit institutions	131 108							131 108	
Households					93		93	93	
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		315 471	(5 996)		(11 580)		(17 576)	297 895	

TABLE 1.7: Details of shifts and virements per economic classification: Programme 3: Policy and Governance

Economic classification	Motivation	From	Motivation	To
Current payments		(38 199)		24 826
Compensation of employees	Funds moved within and between the programmes to follow structural changes and alignment of budget with the approved organisational structure.	(11 156)	To fund lower level items within compensation of employees as per approved organisational structure.	11 156
Goods and services	Delays in the finalisation of SIU investigation reports while prioritising the COVID-19 related cases. Lower expenditure on training and venues during the lockdown. Funds reprioritisation to cater for priority projects.	(27 043)	To fund the gender training, research project about the state of youth and the hosting of the Youth Leadership Symposium	13 670
Transfers and subsidies				2 493
Higher education institutions			To fund skills development and training of military veterans through GCRA.	2 400
Households			To pay for leave gratuity and claims for injury-on-duty.	93
Payments for capital assets		(700)		
Machinery and equipment	Reallocation of funds for the GIS server following the centralisation of IT-related payments in Programme 2.	(700)		
Total economic classification		(38 899)		27 319

Virements and shifts

The budget reduces by R17.6 million from R315.5 million to R297.9 million to fund key projects in response to the COVID-19 pandemic.

Shifts totalling R2.9 million within compensation of employees are funding the salary payments from the budget for non-salary payments as per the requirements of the programme in line with the approved organisation structure.

Through virements and shifts goods and services budget reduces by R13.4 million. Savings is due to lockdown restrictions that delayed the research papers project, events, meeting and travelling being put on hold and delay in finalisation of investigation reports by the SIU within the Integrity Management.

The budget for transfers to households increases by R93 000 to provide for leave gratuity payments to former employees and to provide for payment of injury on duty claims. The Premier's commitment made in the SOPA 2017 laid a solid ground to assist military veterans with access to skills development and other forms of formal training through the Recognition of Prior Learning (RPL). In this regard, R2.4 million is shifted to transfers for higher education institutions to fund the Gauteng City Region Academy's programmes to address various skills development and training for military veterans.

An amount of R700 000 for the procurement of the server for the Geographic Information System is reallocated to Programme 2: Institutional Development where the ICT-related procurement function is centralised.

Function shifts, surrenders and suspensions: R6 million

The Programme's budget reduces by R6 million due to the compulsory budget cut implemented to support the government's initiative to contain the growth of the public sector wage bill within affordable levels and due to a reduction of R607 000 to reimburse the Gauteng Department of Health for the Personnel Protective Equipment procured on behalf of Office of the Premier during the lockdown.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 1.8: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21

Department	2019/20 Expenditure Outcome				2020/21 Preliminary expenditure		
	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
R thousand							
1. Administration	263 626	228 715	279 709	106%	320 400	82 728	(64)%
2. Institutional Development	270 728	129 089	238 568	88%	267 743	137 845	7%
3. Policy and Governance	341 057	75 263	280 373	82%	297 895	141 727	88%
Total	875 411	433 067	798 650	91%	886 038	362 300	(16)%
Current payments	585 287	237 464	480 233	82%	539 000	253 372	7%
Compensation of employees	369 923	152 979	328 744	89%	357 035	175 081	14%
Goods and Services	215 365	84 485	151 489	70%	181 965	78 291	(7)%
Interest and rent on land							
Transfers and subsidies	279 089	189 846	306 762	110%	331 714	97 725	(49)%
Higher education institutions	27 782		26 042	94%	30 182	11 891	
Non-profit institutions	131 108	29 000	124 273		131 108	78 665	171%
Households	120 199	160 846	156 447	130%	170 424	7 169	(95.54)%
Payments for capital assets	11 035	5 757	11 655	106%	15 324	11 238	95%
Machinery and equipment	11 035	5 757	11 655	106%	15 324	11 049	92%
Payments for financial assets						(35)	
Total	875 411	433 067	798 650	91%	886 038	362 300	(16)%

Expenditure trends for 2019/20

The department spent R433.1 million (or 49 per cent) of the R875.4 million adjusted appropriation as at 30 September 2019. The annual spending amounted to R798.6 million (or 91 per cent of the budget) as at 31 March 2020.

The unspent R76.7 million or 9 per cent of the budget was caused by delays in filling critical posts, postponement of events such as (anti-corruption summit and women's excellence awards) as well as the signing of memorandum of understanding (MOUs) between GPG and higher education institutions to conduct trade and investment research.

Preliminary expenditure trends for the first half of 2020/21

The department spent R362.3 million during the first six months of 2020/21 versus R433.1 million spent in the corresponding period in 2019/20. The lower expenditure is mainly due to events and projects that were placed on hold following the lockdown restrictions that were implemented from the first quarter of the financial year.

Programme 1: Administration

The expenditure for the first six months amounting to R82.7 million is 64 per cent lower than R228.7 million spent in the same period of 2019/20 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 R137.8 million as at the end of first six months in 2020/21 is 7 per cent higher than R129.1 million spent in 2019/20 financial year during the same period. The main contributing factors to the higher expenditure are the communication costs and CAPEX, which were incurred to strengthen the communication channels and to procure additional laptops to allow employees to work remotely at home during the lockdown period.

Programme 3: Policy and Governance

The expenditure amounting to R141.7 million during the 2020/21 first six months is 88 per cent higher than R75.2 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.

4. Departmental Receipts

TABLE 1.9: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 - Mar 2020 as a % of adjusted appropriation	Preliminary Receipts		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	390	189	375	96%	398	167	(12%)
Interest, dividends and rent on land	10		2	20%	5		
Sales of capital assets							
Financial transactions in assets and liabilities	90	4	3	3%	20		
Total	490	193	380	78%	423	167	(13%)

Revenue trends for the first half of the 2020/21

The table above shows the contribution of each revenue source towards the departmental receipts generated as 30 September 2020. 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 R167 000 as at 30 September 2020 are 5 per cent lower than R193 000 collected as at 30 September 2019. The decrease reflects in financial transactions in assets and liabilities. 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 ex-employees currently working for the state but resigned while owing for bursaries. The parking fee policy was revised down from R200 to R100 in order to ensure that all staff members pay the same amount.

5. Changes To Transfers And Subsidies, Conditional Grants And Infrastructure

5.1 Changes to transfers and subsidies

TABLE 4.10: CHANGES TO TRANSFERS AND SUBSIDIES

R Thousand	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: Provincial	Additional Funding: Provincial		
Programme 3								
GCRO-WITS	27 782							27 782
Harambee Tshepo 1 Million	131 108							131 108
GCRA				2 400				2 400
Total changes in conditional Name of transfer payments	158 890			2 400				161 290

Virements and shifts

R2.4 million is shifted to transfers for higher education institutions to fund the Gauteng City Region Academy's programmes to address various skills development and training for military veterans.

5.2 Changes to conditional grants

Not applicable

5.3 Changes to infrastructure

Not applicable

VOTE 2**GAUTENG PROVINCIAL LEGISLATURE**

R thousand	2020/21			
	Special adjusted appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	817 763	817 763		
of which:				
Current payments	659 693	650 940	(8 753)	
Transfers and subsidies	142 592	142 592		
Payments for capital assets	15 478	24 231		8 753
Payment for financial assets				
Executive authority	Speaker			
Accounting officer	Secretary of the Legislature			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 2.1: GAUTENG PROVINCIAL LEGISLATURE

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		
1. Leadership and Governance	51 859							51 859
2. Office of the Secretary	31 339							31 339
3. Corporate Support Services	390 052			11 231			11 231	401 283
4. Core Business	268 644			(11 231)			(11 231)	257 413
5. Office of the CFO	75 869							75 869
Total for Programmes	817 763							817 763

Economic classification	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		
Current payments		659 693			(8 753)			(8 753)	650 940
Compensation of employees		408 337							408 337
Salaries & wages		408 337							408 337
Social contribution									
Goods and services		251 356			(8 753)		(8 753)		242 603
Transfers and subsidies		142 592							142 592
Provinces and municipalities									
Non-profit institutions		142 592							142 592
Households									
Payments for capital assets		15 478			8 753			8 753	24 231
Buildings and other fixed structures					6 000		6 000		6 000
Machinery and equipment		14 988			2 753		2 753		17 741
Payments for financial assets									
Total economic classification		817 763							817 763

This Adjustments Budget follows the Special Adjustments Budget that was tabled in July 2020 in response to the COVID-19 pandemic, and it afforded programmes with another opportunity to review their spending projections for the last six months of the financial year after the mid-year assessment of budget and performance. The process also took into consideration changes in events including emerging political priorities and the continued risks of the COVID-19 pandemic, which still threatens full implementation of planned activities.

Funds have been reprioritised from low performing activities to emerging priorities and areas experiencing budgetary pressures. The reprioritisation process led to unspent funds totalling R11.2 million from goods and services, primarily due to savings realised as a result of conducting legislature business virtually and suspension of travel and parliamentary exchange programmes owing to restrictions posed by the COVID-19 pandemic.

Declared savings from goods and services have been reallocated to the security insourcing project and Phases 1 and 2 of the rehabilitation of tiled and concrete roof portions in the main building. The security insourcing project is the GPL's emerging priority which aims to end the outsourcing of security personnel by employing security officers that will provide services to House sittings, "Taking Committees" campaign to the people and in and around the GPL precinct. The project relating to the rehabilitation of tiled and concrete roof portions in the main building is rolled over to complete the upgrade of aged infrastructure in the GPL.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Leadership and Governance

TABLE 2.2: PROGRAMME 1: LEADERSHIP AND GOVERNANCE

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		
1. Office of the Executive Director	24 972							24 972
2. Administrative Operations	3 421							3 421
3. Inter-Legislature Relations	21 450							21 450
4. Oversight and Liaison	2 016							2 016
Total for Programmes	51 859							51 859

Economic classification	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		
Current payments		51 859						51 859
Compensation of employees		24 635						24 635
Salaries & wages		24 635						24 635
Social contribution								
Goods and services		27 224						27 224
Interest and rent on land								
Transfers and subsidies								
Provinces and municipalities								
Households								
Payments for capital assets								
Buildings and other fixed structures								
Machinery and equipment								
Payments for financial assets								
Thefts & Losses								
Total economic classification		51 859						51 859

Virements and shifts

No changes.

Programme 2: Office of the Secretary

TABLE 2.3: PROGRAMME 2: OFFICE OF THE SECRETARY

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		
1. Office of the Secretary	31 128							31 128
Office of the Integrity Commissioner	211							211
Total for Programmes	31 339							31 339

Economic classification	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		
R Thousand								
Current payments	31 339						31 339	
Compensation of employees	18 360						18 360	
Salaries & wages	18 360						18 360	
Social contribution								
Goods and services	12 979						12 979	
Interest and rent on land								
Transfers and subsidies								
Provinces and municipalities								
Households								
Payments for capital assets								
Buildings and other fixed structures								
Machinery and equipment								
Payments for financial assets								
Thefts & Losses								
Total economic classification	31 339						31 339	

Virements and shifts

No changes.

Programme 3: Corporate Support Services

TABLE 2.4: PROGRAMME 3: CORPORATE SUPPORT SERVICES

	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		
R Thousand								
1. Ed Corporate Support Services	134 708			(119)			(119)	134 589
2. Members Affairs	155 353			(1 791)			(1 791)	153 562
Institutional Support Services	31 138			2 297			2 297	33 435
Operational Support Services	45 846			9 429			9 429	55 275
IT and Technology	23 007			1 415			1 415	24 422
Total for Programmes	390 052			11 231			11 231	401 283

Economic classification	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		
R Thousand								
Current payments	242 864			2 761			2 761	245 625
Compensation of employees	129 504							129 504
Salaries & wages	129 504							129 504
Social contribution								
Goods and services	113 360			2 761			2 761	116 121
Interest and rent on land								
Transfers and subsidies	142 592							142 592
Provinces and municipalities								
Non-profit institutions	142 592							142 592
Households								
Payments for capital assets	4 596			8 470			8 470	13 066
Buildings and other fixed structures				6 000			6 000	6 000
Machinery and equipment	4 596			2 470			2 470	7 066
Payments for financial assets								
Thefts & Losses								
Total economic classification	390 052			11 231			11 231	401 283

TABLE: 2.5: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: CORPORATE SUPPORT SERVICES

Economic classification	Motivation	From	Motivation	To
Current payments		(3 713)		6 474
Compensation of employees				
Goods and services	Savings from travel, inter-legislature games, training and development, maintenance and fuel. In addition, savings have been realised from implementing activities virtually.	(3 713)	To fund the budget shortfall relating to the security insourcing project, licensing fees for the Gauteng Broadband Network, G-Fleet and institutional licenses.	6 474
Interest and rent on land				
Transfers and subsidies				
Provinces and municipalities				
Households				
Payments for capital assets				8 470
Buildings and other fixed structures			To fund the upgrade of aged infrastructure: Structure and Waterproofing (Phase 01: Rehabilitation of Concrete Sheet Roof Portion - Main Building) and (Phase 2 Rehabilitation of Tiled Portion - Main Building).	6 000
Machinery and equipment			To fund capital requirements for the security insourcing project.	2 470
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(3 713)		14 944

Virements and shifts

The overall budget for the programme increases by R11.2 million from R390.1 million to R401.3 million and the additional amount is received from Programme 4: Core Business under sub-programme Parliamentary Business to fund the emerging projects and spending pressures.

The programme receives an amount of R5.2 million for the security insourcing project. 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" campaign to the people and in and around the GPL precinct.

An amount of R4 million is also received and reallocated to Phase 1 of the project for the rehabilitation of concrete sheet roof portion in the main building.

A total amount of R2 million is also allocated to Phase 2 of the project for the rehabilitation of tiled portion in the main building. Of the total R2 million, R197 000 is received from Programme 4: Core Business and R1.8 million is reprioritised within Operational Support Services sub-programme from goods and services to capital assets. Savings from the sub-programme Operational Support Services have been realised from conferences and maintenance and repairs.

A total amount of R1.7 million is reprioritised to augment budgetary shortfall relating to licensing fees for the Gauteng Broadband Network (GBN). Of the R1.7 million, R1.3 million is received from Programme 4: Core Business and the remaining R376 000 is reprioritised within the programme from Members Affairs sub-programme. Savings have been realised from inter-legislature games, training and domestic travelling which were suspended due to COVID-19 national lockdown regulations.

An amount of R1.4 million is reprioritised from training and development, domestic travel, inter-legislature games and conferences within Members Affairs sub-programme to Information, Communication and Technology sub-programme to defray excess expenditure under licensing fees. The excess expenditure was as a result of adverse foreign exchange rates.

A total amount of R626 000 is reallocated to defray excess expenditure relating to the hiring of Presiding Officers vehicles through G-Fleet due to delays in the delivery of Presiding Officers replacement vehicles. The R626 000 comprises an amount of R507 000 from Programme 4: Core Business and R119 000 which has been reprioritised within the programme from ED: Corporate Support Services sub-programme. Savings have been realised under strategic planning and domestic travel. Travel was suspended due to COVID-19 national lockdown regulations and the strategic planning was conducted virtually.

Programme 4: Core Business

TABLE 2.6: PROGRAMME 4: CORE BUSINESS

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		
1. Ed Core Business	185 519							185 519
2. Parliamentary Business	34 935			(11 231)			(11 231)	23 704
3. Information And Knowledge Management	14 303							14 303
4. Communication	33 887							33 887
Total for Programmes	268 644			(11 231)			(11 231)	257 413

Economic classification 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		
Current payments	268 644			(11 231)			(11 231)	257 413
Compensation of employees	185 099							185 099
Salaries & wages	185 099							185 099
Social contribution								
Goods and services	83 545			(11 231)			(11 231)	72 314
Interest and rent on land								
Transfers and subsidies								
Provinces and municipalities								
Households								
Payments for capital assets								
Buildings and other fixed structures								
Payments for financial assets								
Thefts & Losses								
Total economic classification	268 644			(11 231)			(11 231)	257 413

TABLE 2.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: CORE BUSINESS

Economic classification	Motivation	From	Motivation	To
Current payments		(12 431)		1 200
Compensation of employees				
Goods and services	Savings from implementing activities virtually, transport for stakeholders and suspension of domestic and international travel due to COVID-19 pandemic	(12 431)	To fund the project of revamping and furnishing of the GPL library	1 200
Interest and rent on land				
Transfers and subsidies				
Provinces and municipalities				
Households				
Payments for capital assets				
Buildings and other fixed structures				
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(12 431)		1 200

Virements and shifts

The programme budget is reduced by R11.2 million, from R268.6 million to R257.4 million. The identified savings come from travel, transport for stakeholders and implementation of efficiency measures due to virtual means of conducting legislature business. The reported savings have been redirected to emerging priorities and spending pressures in Programme 3: Corporate Support Services.

An amount of R1.2 million is shifted in the budget for subscriptions and print-room rentals within Information and Knowledge Management to fund the project of revamping and furnishing the GPL library in order to address the depleted shelving space.

Programme 5: Office of the CFO**TABLE: 2.8: PROGRAMME 5: OFFICE OF THE CFO**

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		
1. Chief Financial Officer	56 030			99			99	56 129
2. Finance	292							292
3. Supply Chain Management	17 917			(99)			(99)	17 818
4. Audit, Risk And Governance	1 630							1 630
Total for Programmes	75 869							75 869

Economic classification	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		
Current payments	64 987			(283)			(283)	64 704
Compensation of employees	50 739							50 739
Salaries & wages	50 739							50 739
Social contribution								
Goods and services	14 248			(283)			(283)	13 965
Interest and rent on land								
Transfers and subsidies								
Provinces and municipalities								
Households								
Payments for capital assets	10 882			283			283	11 165
Buildings and other fixed structures								
Machinery and equipment	10 392			283			283	10 675
Software and other intangible assets	490							490
Payments for financial assets								
Thefts & Losses								
Total economic classification	75 869							75 869

TABLE: 2.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: OFFICE OF THE CFO

Economic classification	Motivation	From	Motivation	To
Current payments		(382)		99
Compensation of employees				
Goods and services	Savings from cleaning materials, photocopier consumables and maintenance and repairs	(382)	To fund budget pressures relating to forensic investigations	99
Interest and rent on land				
Transfers and subsidies				
Provinces and municipalities				
Households				
Payments for capital assets				283
Buildings and other fixed structures				
Machinery and equipment			To fund budget shortfall for the photocopier printers and Presiding Officers motor vehicle	283
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(382)		382

Virements and shifts

An amount of R99 000 is shifted within goods and services from Supply Chain Management sub-programme to Office of the CFO sub-programme to defray excess expenditure relating to forensic investigations.

An amount of R283 000 is shifted within Supply Chain Management sub-programme from goods and services to machinery and equipment to augment budgetary shortfall under photocopier printers and Deputy Speaker's motor vehicle.

Supply Chain Management identified savings from photocopier consumables, cleaning materials and maintenance and repairs.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE: 2.10 EXPENDITURE 2020/21 Adjustments AND PRELIMINARY EXPENDITURE 2020/21

Programme	2019/20				2020/21		
	Expenditure Outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 -Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
1. Leadership and Governance	45 646	13 971	33 405	73%	51 859	11 785	(16)%
2. Office of the Secretary	24 473	8 680	21 118	86%	31 339	8 307	(4)%
3. Corporate Support Services	355 845	203 681	340 988	96%	401 283	207 556	2%
4. Core Business	274 927	108 623	242 455	88%	257 413	97 828	(10)%
5. Office of the CFO	60 539	26 784	53 971	89%	75 869	27 149	1%
Total	761 430	361 740	691 937	91%	817 763	352 625	(3)%
Current payments	620 784	251 779	555 219	89%	650 940	237 306	(6)%
Compensation of employees	385 723	179 083	367 625	95%	408 337	193 030	8%
Goods and Services	235 061	72 696	187 594	80%	242 603	44 276	(39)%
Interest and rent on land							
Transfers and subsidies	126 420	105 330	126 041	100%	142 592	114 831	9%
Provinces and municipalities							
Non-profit institutions	126 420	105 330	126 041	100%	142 592	114 831	9%
Households							
Payments for capital assets	14 226	4 631	10 677	75%	24 231	488	(89)%
Buildings and other fixed structures	4 000			0%	6 000		
Machinery and equipment	10 226	4 631	10 677	104%	17 741	488	(89)%
Land and sub-soil assets							
Software and other intangible assets					490		
Payments for financial assets							
Total	761 430	361 740	691 937	91%	817 763	352 625	(3)%

Expenditure trends for 2019/20

The GPL spent a total amount of R691.9 million or 91 per cent of the allocated budget for 2019/20 financial year. Of the total expenditure for the year, an amount of R367.6 million was spent on compensation of employees comprising salaries for all GPL and political support staff, 13th cheque for employees in the bargaining unit, funeral benefits and overtime payments. Compensation of employees accounted for 53 per cent of the total expenditure for the year.

Spending on goods and services amounted to R187.6 million, equating to 27 per cent of the total expenditure. Goods and services were mainly driven by public outreach programmes, activities of the House and Committee sittings, provision of facilities and support to members of the GPL, institutional events, Organisational Development Exercise project, Voter Education, operational costs and contractual obligations.

Transfers to political parties totalled R126 million comprising of Political Party Funding at R85.4 million and Constituency allowance at R40.6 million. Transfers to political parties accounted for 18 per cent of the overall expenditure.

Payments for capital assets summed to R10.7 million and relate to the procurement of laptops for members and staff, office furniture, computer servers and audio-visual equipment.

Preliminary expenditure trends for the first half of 2020/21

The GPL has spent R352.6 million or 43 per cent of the allocated budget during the first half of the 2020/21 financial year in comparison to the R361.7 million that was spent in the same period in 2019/20, showing a decline of 3 per cent. Of the total expenditure for the six months, compensation of employees accounted for R193 million or 55 per cent of the overall expenditure, whilst goods and services accounted for R44.3 million or 13 per cent of the total expenditure. Included in compensation of employees are 13th cheque for employees in the bargaining unit, overtime payments and funeral benefits. Goods and services expenditure was largely driven by House sittings, ICT strategy, committees' outreach programmes, advertising and profiling of Legislature business, members facilities, Multi-Party Women Caucus activities, COVID-19 response, sector parliaments, operating expenses, audit fees, security services and contractual obligations.

A total amount of R114.8 million was transferred to political parties comprising Political Party Funding and Constituency Allowance at R85.6 million and R29.2 million respectively. Transfers accounted for 33 per cent of the total expenditure till the mid-year and represent an increase of 9 per cent when compared to the same period in the previous financial year. Transfers are informed by Section 236 of the Constitution of South Africa which promotes a multi-party democracy and funding of political parties participating in the provincial legislatures on an equitable and proportional basis.

Spending on capital assets amounted to R488 000 in comparison to the R4.6 million that was spent in the same period in 2019/20, representing a decline of 89 per cent. The slow spending in the current financial is due to delays in the delivery of the procured motor vehicles. In addition, the reported expenditure relates to procurement of office furniture and equipment.

Programme 1: Leadership and Governance

The programme has spent R11.8 million during the first six months of the financial year, which represents a decrease of 16 per cent when compared to the R14 million that was spent in the same period of 2019/20. The reduction in expenditure is largely on goods and services due to savings realised from implementing activities virtually and suspension of exchange programmes due to the COVID-19 pandemic. Compensation of employees account for R11.3 million of the reported expenditure for the period, with goods and services only accounting for R436 000. Spending on goods and services is mostly driven by external board members fees, maintenance of the Gauteng Speakers Forum website and participation in virtual conference on Intergovernmental Relations.

Programme 2: Office of the Secretary

The programme spent R8.3 million during the first half of the financial year as compared to R8.7 million spent in the same period of the last financial year, equating to 4 per cent decrease in expenditure. Compensation of employees account for 93 per cent or R7.7 million of the aggregate expenditure for the programme. Goods and services only account for 7 per cent or R569 000 of the total expenditure for the programme. Key cost drivers for goods and services are legal fees and the Multi-Party Women Caucus mainstreaming awards. Contributing to the reduced expenditure in the current financial year is deferred printing of the 2019/20 Annual Report due to delays in finalisation of the audit by the Office of the Auditor General, as well as suspension of travel owing to the COVID-19 pandemic and savings from implementing activities virtually.

Programme 3: Corporate Support Services

The programme expenditure for the mid-year increased by 2 per cent, with R207.6 million spent at mid-year and R203.7 million spent in the same period of 2019/20. Compensation of employees account for 30 per cent or R61.4 million of the overall programme expenditure, whilst goods and services account for 15 per cent or R31.4 million of the overall programme expenditure. Operational costs and contractual obligations such as security services, mobile and telecommunication, insurance and IT services contributed to expenditure on goods and services. Also included in goods and services spending are members facilities, bursaries, training and development, ICT strategy, Organisational Development exercise, wellness programmes and licensing fees.

Transfers to political parties totalled R114.8 million and accounted for 55 per cent of the overall programme spending for the mid-year.

Programme 4: Core Business:

The programme provides support to the House and its Committees when they make laws for the Province, conduct oversight over the Executive and facilitate the involvement of the people of Gauteng in all GPL processes through its public participation initiatives. At mid-year assessment, the programme had spent R97.8 million in comparison to R108.6 million that was spent in the same period of the 2019/20 financial year, representing a decrease of 10 per cent. The reported expenditure decreased due to savings realised from conducting activities virtually and suspension of activities involving large number of stakeholders as a result of COVID-19 restrictions and lockdown.

The overall programme expenditure is largely driven by compensation of employees at 92 per cent or R90.1 million, followed by goods and services at 8 per cent or R7.8 million. Expenditure on goods and services is primarily on law-making processes, advertising and profiling of GPL events and activities, subscriptions to press-reader and online journals, committees' activities and public education initiatives as well as the sector parliaments such as the Interfaith Parliament and Women's Parliament.

Programme 5: Office of the CFO

An amount of R27.1 million was spent during the first half of the financial year as compared to R26.8 million that was spent in the same period of 2019/20, equating to an increase of 1 per cent. Of the total expenditure for the period, compensation of employees accounts for R22.5 million or 83 per cent, goods and services account for R4.2 million or 15 per cent and capital assets account for R488 000 or 2 per cent. Goods and services expenditure is mainly driven by audit fees, operating expenses such as maintenance and repairs, bank charges, cleaning materials, stationery, as well as computer and photocopier consumables. Payment for capital assets totalled R488 000 and the reported expenditure relates to procurement of TV screens for the Public Forum, Chamber, Gallery and Control room as well as computer screens, office furniture and equipment.

4. Departmental Receipts

TABLE 2.11: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 - Mar 2020 as a % of adjusted appropriation	Preliminary Receipts		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	4 127	1 022	1 768	43%	4 550	646	(37)%
Transfers received							
Fines, penalties and forfeits							
Interest, dividends and rent on land	18 149	8 169	16 848	93%	19 438	6 082	(26)%
Sales of capital assets							
Financial transactions in assets and liabilities							
Total	22 276	9 192	18 616	(16)%	23 988	6 728	(27)%

Revenue trends for the first half of 2020/21

The GPL's revenue sources are interest on investments, the hiring out of City Hall and parking space to Gauteng departments. The GPL collected a total amount of R6.7 million for the first half of the financial year. This amount is 27 per cent lower than R9.2 million that was collected in the same period of 2019/20 mainly because of the COVID-19 pandemic and lockdown which affected activities at the City Hall. The interest earned on positive bank accounts was also affected by interest rates cuts by the South African Reserve Bank earlier in the year.

Of the total revenue collected, interest earned from investments accounted for R6.1 million or 90 per cent of the total revenue and sales of goods and services accounted for R646 000 or 10 per cent of the overall revenue. Revenue collected under sales of goods and services relates to the parking income.

5. Changes To Transfers and Subsidies, Conditional Grants and Infrastructure

5.1 Changes to transfers and subsidies

No changes.

5.2 Changes to conditional grants

Not applicable.

5.3 Changes to infrastructure

Not applicable.

VOTE 3**DEPARTMENT OF ECONOMIC DEVELOPMENT**

R thousand	2020/21			
	Special adjusted appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	1 998 854	1 944 592	(54 262)	
Current payments	481 566	641 706		160 140
Transfers and subsidies	1 501 958	1 287 906	(214 052)	
Payments for capital assets	15 330	14 980	(350)	
Payment for financial assets				
Executive authority	MEC for Economic Development			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 3.1: DEPARTMENT OF ECONOMIC DEVELOPMENT

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		
1. Administration	285 417	(2 261)		(15 923)			(18 184)	267 233
2. Integrated Economic Development Service	481 351	(3 454)					(3 454)	477 897
3. Trade and Sector Development	970 222	(30 329)		(184 298)			(214 627)	755 595
4. Business Regulation & Governance	112 649	(8 804)		(3 523)			(12 327)	100 322
5. Economic Planning	149 215	(9 414)		203 744			194 330	343 545
Total for Programmes	1 998 854	(54 262)					(54 262)	1 944 592

Economic classification	R thousand	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
			Function Shifts, Surrenders and Suspensions	Roll-overs	s Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
Current payments		481 566	(17 430)		177 570			160 140	641 706
Compensation of employees		293 802	(17 594)		(42 353)			(59 947)	233 855
Salaries & wages		254 013	(14 296)		(38 557)			(52 853)	201 160
Social contribution		39 789	(3 298)		(3 796)			(7 094)	32 695
Goods and services		187 764	164		219 923			220 087	407 851
Transfers and subsidies		1 501 958	(36 832)		(177 220)			(214 052)	1 287 906
Provinces and municipalities					1 537			1 537	1 537
Departmental agencies and accounts		1 501 958	(36 832)		(179 202)			(216 034)	1 285 924
Households					445			445	445
Payments for capital assets		15 330			(350)			(350)	14 980
Machinery and equipment		15 330			(350)			(350)	14 980
Software and other intangible assets									
Payments for financial assets									
Total economic classification		1 998 854	(54 262)					(54 262)	1 944 592

This Adjustment budget follows the 2020-21 Special Adjustment budget that was tabled in July in response to the COVID-19 pandemic, and afforded programmes with another opportunity to review their spending projections

The department's adjustment budget is informed by the cost containment guideline and reprioritisation of funds within the current budget. The table above illustrates a downward adjustment which includes a surrender of R54.3 million which accommodates the compulsory cut on personnel costs across the DED group. The department also receives a suspension funding of R671 000 which is allocated towards the Probity Audit.

The Department will implement strict internal controls and measures to contain consumption expenditure and direct a greater share of resources towards projects that are geared towards economic recovery interventions such as the Special Economic Zones (SEZ); skills re-tooling plan, tourism routes implementation, SMME support, community based tourism, feasibility study for the Cullinan mountain bike trail and the construction of the Lanseria visitor information centre (VIC).

The department has reprioritised funds between and within programmes through virements and shifts, an amount of R209 million under transfers and subsidies to goods and services whilst R25 million is redirected from Compensation of employees to Transfers and subsidies.

Through virements and shifts, the following merging projects and programmes will be funded ; the Vaal Special Economic Zone Programme Management unit (PMU); Basha Uhuru, Gauteng Liquor Board Compensation of employees; co-hosting of the World Tourism Day, Tourism Development Capacity and the operational costs for Maropeng A' Africa Leisure (MAL).

2. Details of adjustments to estimates of departmental expenditure 2020/21

Programme 1: Administration

TABLE 3.2: PROGRAMME 1: ADMINISTRATION

R thousand	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
1.Office Of The MeC	5 094			1 000			1 000	6 094
2.Office Of The HoD	15 837			1 715			1 715	17 552
3.Financial Management	58 802	(1 754)		(6 247)			(8 001)	50 801
4.Corporate Services	205 684	(507)		(12 391)			(12 898)	192 786
Total for Programmes	285 417	(2 261)		(15 923)			(18 184)	267 233
Economic classification	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
Current payments	270 087	(2 261)		(15 913)			(18 174)	251 913
Compensation of employees	156 822	(2 425)		(19 692)			(22 117)	134 705
Salaries & wages	134 954	(2 095)		(16 606)			(18 701)	116 253
Social contribution	21 868	(330)		(3 086)			(3 416)	18 452
Goods and services	113 265	164		3 779			3 943	117 208
Transfers and subsidies				340			340	340
Provinces and municipalities								
Households				340			340	340
Payments for capital assets	15 330			(350)			(350)	14 980
Buildings and other fixed structures								
Machinery and equipment	15 330			(350)			(350)	14 980
Software and other intangible assets								
Payments for financial assets								
Total economic classification	285 417	(2 261)		(15 923)			(18 184)	267 233

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

Economic classification	Motivation	From	Motivation	To
Current payments		(43 525)		27 612
Compensation of employees	Delays with the finalisation of the proposed organisational structure resulted in low rate of recruitment. Funds are also shifted to where people are placed in the organisational structure.	(37 011)	Reprioritised budget to defray over expenditure of Compensation of Employees within the Office of the HoD, CFO, Corporate Services and Financial Management.	17 319
Goods and services	Funds are made available due to the cancellation of projects such as End user back up and Lan maintenance. Savings are also realised as under property payments (cleaning services) as there was a delay in finalising of the rental agreement for regional offices.	(6 514)	Provision is made for the following: integrated security system and visitor register, payment of 2019/20 accrual and PPE required for staff expected back at the office due to level 1 lockdown regulations implemented.	10 293
Transfers and subsidies				340
Provinces and municipalities				
Households			Provision is made for leave gratuity.	340
Payments for capital assets		(350)		
Buildings and other fixed structures				
Machinery and equipment	Funds are shifted due delays in the procurement processes.	(350)		
Payments for financial assets				
Total economic classification		(43 875)		27 952

Function Shifts, Surrenders and Suspensions: R2.3 million

A net amount of R2.4 million from the compensation budget is surrendered back to the Provincial Revenue Fund (PRF) resulting in the total downward adjustment of R267 million.

The department receives a suspension of R671 000 towards Probity Auditors function which was decentralised to departments.

Virements and shifts

An amount of R15.9 million is shifted to Programme 3, these funds are redirected towards co-funding of the Vaal Special Economic Zone Programme Management unit (PMU), GLB Compensation of Employees, co-hosting of the World Tourism Day and the operational costs for Maropeng A' Africa Leisure (MAL). Provision is also made for the creative industry such as Basha Uhuru which has been negatively impacted during the COVID-19 pandemic with direct and indirect lockdown effects ranging from the sudden disappearance of tourist markets to the closure of retail and entertainment venues.

Formal and informal businesses in fashion, craft and design, film and theatre, music and publishing have all been affected. Funding will support creators and businesses to address the challenges as a result of the lockdown restrictions and find new ways of doing business, new opportunities, and markets.

The personnel budget reflects a net decrease of R22 million, included in this amount is R4.3 million redirected to goods and services to augment the budget for Probity Auditors by R1 million and to provide funding of R200 000 for the placement of the onsite nurse to manage COVID-19. Furthermore, an amount of R629 000 is allocated to refund the Department of Health with regard to COVID-19 PPE expenditure which was incurred on behalf of the Department during the level 5 and 4 lockdown restriction.

Moreover, an amount of R2.6 million is for the settlement of outstanding accruals (2019/20) on the Industrial Hubs. Budget shifts were conducted within the programme to defray overspending from one item to another from goods and services, transfer and subsidies as well as machinery and equipment as a result of the previous year's accruals.

Programme 2: Integrated Economic Development Services

TABLE 3.4: PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	ts Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
1.Enterprise Development	481 351	(3 454)					(3 454)	477 897
2.Regional & Local Economic Development								
3.Economic Empowerment								
Total for Programmes	481 351	(3 454)					(3 454)	477 897

Economic classification	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		
Current payments								
Compensation of employees								
Goods and services								
Transfers and subsidies	481 351	(3 454)					(3 454)	477 897
Departmental agencies and accounts	481 351	(3 454)					(3 454)	477 897
Households								
Payments for capital assets								
Payments for financial assets								
Total economic classification	481 351	(3 454)					(3 454)	477 897

Function Shifts, Surrenders and Suspensions: R3.4 million

An amount of R3.4 million is surrendered to the Provincial Revenue Fund (PRF) resulting in the programme budget declining from the special adjusted appropriation of R481 million to an adjusted budget of R477.8 million.

Virements and shifts

No changes.

Programme 3: Trade and Sector Development

TABLE 3.6: PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

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		
1. Trade and Investment Promotion	781 000	(17 961)		(193 348)			(211 309)	569 691
2. Sector Development	189 222	(12 368)		9 050			(3 318)	185 904
3. Strategic Initiatives								
Total for Programmes	970 222	(30 329)		(184 298)			(214 627)	755 595
Economic classification	Special Adjusted Appropriation	Function Shifts, Surrenders and Suspensions	Roll-overs	2020/21 Adjustments Virements and Shifts	Additional Funding: National	Additional Funding: Provincial	Total Adjustments	Adjusted Appropriation
R thousand								
Current payments								
Compensation of employees								
Goods and services								
Transfers and subsidies	970 222	(30 329)		(184 298)			(214 627)	755 595
Departmental agencies and accounts	970 222	(30 329)		(184 298)			(214 627)	755 595
Households								
Payments for capital assets								
Machinery and equipment								
Payments for financial assets								
Total economic classification	970 222	(30 329)		(184 298)			(214 627)	755 595

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		(214 194)		29 896
Provinces and municipalities				
Departmental agencies and accounts	Funds are shifted from GGDA to Economic Infrastructure directorate under Sector and Industry (Programme 5) for the implementation of the Tshwane Automotive Hub Special Economic Zone (TAHSEZ) amounting to R200 million for bulk infrastructure and the implementation of the Township Industrial Park Refurbished amounting to R9.3 million.	(214 194)	Funds are shifted to GGDA for the following: R11 million is for the Vaal Special Economic Zone (SEZ) Programme Management Unit (PMU), R1 million is for the Basha Uhuru and R4 million is for GGDA's operational costs. In addition, provision is also made to Cradle of Humankind for the operational costs of Maropeng Afrika Leisure which amounts to R5.5 million. Furthermore, funds are also allocated to GTA for hosting of the World Tourism Day and towards funding its operational cost.	29 896
Households				
Payments for capital assets				
Buildings and other fixed structures				
Machinery and equipment				
Payments for financial assets				
Total economic classification		(214 194)		29 896

Function Shifts, Surrenders and Suspensions: R30.3 million

An amount of R30.3 million is surrendered back to the PRF, the fund emanates from the compensation of employees' budget of the following entities: Cradle of Humankind, Dinokeng, GTA and GGDA. The downward adjustment is in line with government's initiative to contain growth of the public sector wage bill within affordable levels.

Virements and shifts

Through virements and shifts, an amount of R214 million is shifted from GGDA to Programme 5 (Economic Infrastructure) for the implementation of the Tshwane Automotive Hub Special Economic Zone (TAHSEZ) bulk infrastructure and Township Industrial Park Refurbishment. In addition, R29.8 million is also shifted to transfers and subsidies, of which, R16 million is allocated to the Gauteng Growth and Development Agency (GGDA) towards the Vaal Special Economic Zone and the Basha Uhuru projects. The Gauteng Tourism Authority (GTA) receives R250 thousand for co-hosting the World Tourism Day and a further R3.3 million is allocated toward Tourism Development Capacity.

Furthermore, an amount of R15.2 million is allocated to Cradle of Humankind towards funding of the Maropeng A' Africa Leisure (MAL) operational costs as the visitor centre was not operating due to the Covid-19 lockdown regulation and could not generate revenue. The funding will enable the visitor centres of Maropeng and Sterkfontein to re-open.

Lastly, R5.5 million of the allocated amount was raised from DED's internal reprioritization, while R9.7 million came from both the Cradle of Humankind and Dinokeng projects budget reprioritization.

Programme 4: Business Regulation and Governance

TABLE 3.8: PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programmes	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Function Shifts, Surrenders and Suspensions	Additional Funding: National	Additional Funding: Provincial		
R thousand								
1.Governance	10 374	(200)		(6 143)			(6 343)	4 031
2.Regulation Services	28 868	(5 555)		(3 333)			(8 888)	19 980
3.Consumer Protection	23 022			857			857	23 879
4.Liquor Regulation	23 912	(3 049)		3 696			647	24 559
5. Gauteng Gambling Board	26 473			1 400			1 400	27 873
Total for Programmes	112 649	(8 804)		(3 523)			(12 327)	100 322

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Function Shifts, Surrenders and Suspensions	Additional Funding: National	Additional Funding: Provincial		
R thousand								
Current payments	62 264	(5 755)		(8 724)			(14 479)	47 785
Compensation of employees	54 886	(5 755)		(7 635)			(13 390)	41 496
Salaries & wages	45 816	(4 475)		(7 524)			(11 999)	33 817
Social contribution	9 070	(1 280)		(111)			(1 391)	7 679
Goods and services	7 378			(1 089)			(1 089)	6 289
Transfers and subsidies	50 385	(3 049)		5 201			2 152	52 537
Departmental agencies and accounts	50 385	(3 049)		5 096			2 047	52 432
Households				105			105	105
Payments for capital assets								
Payments for financial assets								
Total economic classification	112 649	(8 804)		(3 523)			(12 327)	100 322

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		(18 312)		9 588
Compensation of employees	Delays with the finalisation of the proposed organisational structure resulted in low rate of recruitment.	(14 613)	Realignment of personnel budget to where people are placed.	6 978
Goods and services	Savings realised due to the COVID-19 pandemic which delayed the implementation of projects such as the CI Conference and SMME Summit.	(3 699)	Provision is made for the evaluation of the impact of consumer education project.	2 610
Transfers and subsidies				5 201
Provinces and municipalities				
Departmental agencies and accounts			Provision for GLB operational shortfall due to the Covid-19 lockdown regulations which impacted negatively on the Liquor license revenue collection. Funds are also allocated towards the Alexandra Sanitation PPE.	5 096
Households			Provision is made for leave gratuity.	105
Payments for capital assets				
Buildings and other fixed structures				
Machinery and equipment				
Payments for financial assets				
Total economic classification		(18 312)		14 789

Function Shifts, Surrenders and Suspensions: R8.8 million

An amount of R8.8 million is surrendered back to the PRF. The funds are reduced from the Gauteng Liquor Board (GLB), IGR and Strategic Partnerships compensation of employees' budget. The downward adjustment is in line with government's initiative to contain growth of the public sector wage bill within affordable levels.

Virements and shifts

An amount of R3.7 million from goods and services is shifted to programme 3 to fund the Tourism Development Capacity project under GTA. In addition, a fund shift of R5 million is redirected to transfers and subsidies and is disaggregated as follows:

- R1.4 million is allocated to GGB for the payment of fogging, decontamination and sanitization of public buildings which will mitigate the infections of Corona virus;
- R3.6 million is allocated to GLB to augment the shortfall of its operational budget due to reduced revenue collection as a result of lockdown restrictions on liquor restrictions.

Moreover, an amount of R500 000 is allocated for the Evaluation of Impact of the Consumer Education project through internal shifts. R105 000 is allocated for leave gratuity under households.

Programme 5: Economic Planning

TABLE 3.10: PROGRAMME 5: ECONOMIC PLANNING

Programmes	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Function Shifts, Surrenders and Suspensions	Additional Funding: National	Additional Funding: Provincial		
R thousand								
1.Policy & Planning	34 124	(1 740)		(4 106)			(5 846)	28 278
2.Research & Development	7 823	(1 822)		(3 361)			(5 183)	2 640
3.Knowledge Management	2 119			350			350	2 469
4.Monitoring And Evaluation	90 461	(4 344)		208 781			204 437	294 898
5.Economic Infrastructure Development	14 688	(1 508)		2 080			572	15 260
6. Sector& Industry Development								
7.Inclusive Economy								
Total for Programmes	149 215	(9 414)		203 744			194 330	343 545

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Function Shifts, Surrenders and Suspensions	Additional Funding: National	Additional Funding: Provincial		
R thousand								
Current payments	149 215	(9 414)		202 207			192 793	342 008
Compensation of employees	82 094	(9 414)		(15 026)			(24 440)	57 654
Salaries & wages	73 243	(7 726)		(14 427)			(22 153)	51 090
Social contribution	8 851	(1 688)		(599)			(2 287)	6 564
Goods and services	67 121			217 233			217 233	284 354
Interest and rent on land								
Transfers and subsidies				1 537			1 537	1 537
Provinces and municipalities				1 537			1 537	1 537
Departmental agencies and accounts								
Payments for capital assets								
Buildings and other fixed structures								
Payments for financial assets								
Total economic classification	149 215	(9 414)		203 744			194 330	343 545

TABLE 3.11 DETAILS OF VIREMEMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: ECONOMIC PLANNING

Economic classification	Motivation	From	Motivation	To
Current payments		(36 765)		238 972
Compensation of employees	Delays with the finalisation of the proposed organisational structure resulted in low rate of recruitment.	(32 637)	Funds reprioritised to augment the budget under compensation of employees on the sub-programme Knowledge Management within the Economic Planning programme.	17 611
Goods and services	Savings identified due to the cancellation of projects to be implemented next financial year such the Financial Literacy and Financial Sector framework.	(4 128)	Funds are shifted from GGDA (Programme 3) to Economic Infrastructure directorate for the implementation of the Tshwane Automotive Hub Special Economic Zone (TAHSEZ) for bulk infrastructure and the implementation of the Township Industrial Park Refurbished project.	221 361
Transfers and subsidies				1 537
Provinces and municipalities			Transfer of funds to Sedibeng District Municipality for the implementation of a feasibility study towards the Aerotropolis project.	1 537
Payments for capital assets				
Buildings and other fixed structures				
Payments for financial assets				
Total economic classification		(36 765)		240 509

Function Shifts, Surrenders and Suspensions: R9.4 million

An amount of R9.4 million from compensation of employees is surrendered back to the PRF. The downward adjustment is in line with government's initiative to contain growth of the public sector wage bill within affordable levels.

Virements and shifts

The programme budget reflects a net increase of R194 million resulting in an adjusted budget of R343 million. Through virements and shifts, an amount of R15 million is made available from compensation of employees to fund projects such as the GEP Reconfiguration and Tourism Supply projects.

Goods and services is adjusted upwards by R217 million, of which, R1.8 million which is allocated towards the Local Economic Development Sector strategies for the Sedibeng and West Rand municipalities. The remaining budget, which is a function shift from GGDA, is allocated to the Economic Infrastructure directorate for the implementation of the Tshwane Automotive Hub Special Economic Zone (TAHSEZ) for bulk infrastructure and the implementation of the Township Industrial Park Refurbished project.

An amount of R1.5 million is shifted to transfers and subsidies (provinces and municipalities) towards the Sedibeng District Municipality to implement a feasibility study for the Aerotropolis.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE3:12 EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21

Department	2019/20				2020/21		
	Expenditure Outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 -Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
1.Administration	277 712	112 892	243 712	88%	267 233	102 453	(9)%
2.Integrated Economic Development Services	244 544	155 446	245 771	101%	477 897	43 373	(72)%
3.Trade and Sector Development	847 956	490 848	870 073	103%	755 595	215 822	(56)%
4.Business Regulation and Governance	61 619	27 756	105 724	172%	100 322	52 187	88%
5.Economic Planning	104 568	32 287	93 700	90%	343 545	31 500	(2)%
Total	1 536 399	819 229	1 558 980	101%	1 944 592	445 335	(46)%
Current payments	423 302	163 602	371 463	88%	641 706	146 581	(10)%
Compensation of employees	223 127	111 751	225 453	101%	233 855	109 035	(2)%
Goods and Services	200 175	51 851	146 010	73%	407 851	37 546	(28)%
Interest and rent on land							
Transfers and subsidies	1 101 603	647 593	1 176 233	107%	1 287 906	290 138	(55)%
Provinces and municipalities					1 537		
Departmental agencies and accounts	1 100 975	647 411	1 175 587	107%	1 285 924	289 731	
Households	628	182	646	103%	445	407	1
Payments for capital assets	11 494	8 034	11 284	98%	14 980	8 616	7%
Buildings and other fixed structures							
Machinery and equipment	11 494	8 034	11 081	96%	14 980	8 616	7%
Software and other intangible assets			203				
Payments for financial assets							
Total	1 536 399	819 229	1 558 980	101%	1 944 592	445 335	(46)%

Expenditure trends for 2019/20

The underspending during the 2019/20 financial year under audit is attributed to compensation of employees. This was due to the high vacancy rate and staff turnover especially at senior management level.

Goods and services underspending are a result of the delay in the procurement process of the regional economic profile data subscription for the Barometer. Non-transfer of the budget allocated for certain projects is due to service level agreements and memorandums of agreement not yet finalised during the financial year; and accruals of invoices received but not processed for payment; commitments for purchase orders issued but no delivery has taken place and payables of invoices received but not yet invoiced.

The underspending under machinery and equipment is towards computers equipment that were procured and not yet delivered at the end of the financial year.

Preliminary expenditure trends for the first half of 2020/21

Programme 1: Administration

Programme 1 has spent R102 million (36 per cent) of its adjusted allocated budget of R285 million by the end of September. This is 14 per cent below the quarterly expenditure norm. The underspending is attributed to the high rate of vacant posts at SMS level 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 R43 million had been transferred to GEP at the end of the 2nd quarter and this constitutes 9 per cent of the total expenditure under this programme. At the time of reporting (September 2020) the June 2020, July 2020 and August 2020 transfers to GEP were not yet processed as the Department was still awaiting approval from the Head of Department on the basis of SLA's on transfers to respective agencies.

Programme 3: Trade and Sector Development

The expenditure under Programme 3 amounts to R215 million against the adjusted budget of R970 million and it translates to 22 per cent spending to date. A total amount of R97 million has been transferred to GTA. Cradle of Humankind and Dinokeng has accounted for 45 per cent of the expenditure in the second quarter. GGDA has received R118 million as at September 2020. At the time of reporting the June 2020, July 2020 and August 2020 transfers to GGDA were not yet processed as the Department was still awaiting approval from the Head of Department on the basis of SLA's on transfers to respective agencies.

Programme 4: Business Regulation and Governance

Programme 4 has incurred expenditure amounting to R52 million against its allocated budget of R112 million at the end of the second quarter. The underspending relates to delays in filling of vacant positions as well as the impact of the lockdown on the economy due to the Covid-19 pandemic. As at 30 September 2020; the June 2020, July 2020 and August 2020 transfers to GLB were not yet processed as the Department was still awaiting approval from the Head of Department on the basis of SLA's on transfers to respective agencies.

Programme 5: Economic Planning

At the end of quarter 2, Programme 5 has spent 21 per cent of its adjusted budget of R149 million. The underspending relates to projects which are currently undergoing different stages of the procurement process, for example: the Acquisition of Data Economic Service, the Development of the Sedibeng District Municipality Local Economic Development Strategies and Re-configuration of the Gauteng Enterprise Propeller.

4. Departmental Receipts

TABLE 3.13 DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary Receipts		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
Tax receipts	1 048 217	630 204	1 175 636	0%	718 000		
Casino taxes	921 840	460 917	817 101	0%	676 000		0%
Horse racing taxes	126 377	169 287	358 535	0%	42 000		0%
Sales of goods and services other than capital assets	524	(49 572)	432	(18)%	480	108	(100)%
Interest, dividends and rent on land	3 901	2 206	4 154	6%	2 544	1	(100)%
Sales of capital assets							
Financial transactions in assets and liabilities	239	201	327	37%	361		(100)%
Total	1 052 881	583 039	1 180 549	12%	721 385	109	(100.0)%

Revenue trends for the first half of the 2020/21 financial year

The table above shows the contribution of each revenue source towards the total revenue generated from April to September 2020. The revenue collected by the Department as at the end of September 2020 is R109 thousand against the adjusted target revenue collection of R721 million. The nationwide lockdown on the 27th of March 2020, as a result of Covid-19, forced the closure of many businesses which affected the gambling industry.

Under Sales of Goods and Services other than Capital Assets, to date, the department has collected R108 thousand. The sources of revenue collected under this item are parking fees and commission from insurance and garnishes paid over to service providers via PERSAL deductions.

Interest dividends and rent on land, collected R1 thousand against the annual target of R2.5 million. The R1 thousand revenue collected to date is derived from the interest accumulated under contractual debt. In the absence of gambling revenue no interest has been generated from the GGB trust account.

Under Financial transactions in assets and liabilities has not collected any revenue for the period as at the end of September 2020.

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

5.1 Changes to transfers to public and trading entities

TABLE 3.14 CHANGES TO TRANSFERS TO PUBLIC ENTITIES

R Thousand	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Function Shifts, Surrenders and Suspensions	Additional Funding: National	Additional Funding: Provincial		
Programme 2	481 351	(3 454)					(3 454)	477 897
Gauteng Enterprise Propeller(GEP)	481 351	(3 454)					(3 454)	477 897
Programme 3	970 222	(30 328)		(184 298)			(214 627)	755 595
Gauteng Tourism Authority(GTA)	97 717	(3 417)		3 550			133	97 850
Dinokeng	40 456	(7 495)		(4 846)			(12 341)	28 115
Cradle Of Humankind	51 049	(1 455)		10 346			8 891	59 940
Gauteng Growth & Development Agency	781 000	(17 962)		(193 348)			(211 310)	569 690
Programme 4	50 385	(3 049)		5 096			2 047	52 432
Liquor Regulation (GLB)	23 912	(3 049)		3 696			647	24 559
Gauteng Gambling Board(GGB)	26 473			1 400			1 400	27 873
Total changes in conditional Name of transfer payments	1 501 958	(36 832)		(179 202)			(212 580)	1 285 924

Transfers and subsidies decreased by a net amount of R216 million, this is mainly due to the legislated reduction of the compensation of employees allocation under the Department's entities and the reallocation of the infrastructure projects from the GGDA to the department for implementation. The reprioritisation was informed by the savings realised by the delays in the approval of the organisational structure and the implementation of austerity measures on non-core cost drivers.

Gauteng Tourism Authority

GTA's budget increases by R133 thousand. Funds were reprioritised from compensation of employees and goods and services to fund the World Tourism Day and Tourism Development Capacity. These events will contribute to the marketing and elevation of tourism development in the province. GTA will be conducting an audit on tourism infrastructure in Gauteng to help identify which places are ready for marketing and which areas require further development. The funds allocated to Tourism Development Capacity will be redirected towards implementing the recommendations emanating from the Gauteng Tourism Infrastructure audit for both marketing areas which need to be marketed and facilitating the development and rehabilitation of those requiring further development.

Gauteng Growth and Development Agency

The budget for the GGDA is adjusted downwards by R211 million. Funds amounting to R16 million were allocated towards the Vaal SEZ and Basha Uhuru projects. The funds allocated to the SEZ PMU has been redirected towards the development of strategic/business cases (Master Plan) for the formal adoption and declaration of the Vaal as SEZ in line with legislative prescripts; profiling strategic infrastructure plans for short, medium and long term interventions, developing a comprehensive regional economic development plan and implementation strategy with funding models for both on and off-balance sheets interventions.

Furthermore, an amount of R209.3 million is shifted to programme 5 for the implementation of the Tshwane Automotive Hub Special Economic Zone (TAHSEZ) and the Township Industrial Parks refurbishment projects.

Cradle of Humankind

An amount of R8.8 million was reprioritized towards the operational funding of the Maropeng Afrika Leisure (MAL) as the visitor centre was not operating due to the Covid-19 lockdown regulation. The funding will enable the visitor centres of Maropeng and Sterkfontein to re-open.

Gauteng Liquor Board

An net amount of R647 000 is allocated to GLB to augment the shortfall of its operational budget due to reduced revenue collection as a result of lockdown restrictions on liquor activities.

Gauteng Gambling Board

An amount of R1.4 million is allocated to GGB for the payment of fogging, decontamination and sanitization of public buildings which will mitigate the infections of Corona virus.

5.2 Changes to Conditional Grant

There are no changes.

5.3 Changes to infrastructure

Not applicable.

VOTE 4**DEPARTMENT OF HEALTH**

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	60 276 588	58 835 503	(1 441 085)	
Current payments	55 080 649	52 072 208	(3 008 441)	
Transfers and subsidies	1 749 777	1 635 229	(114 548)	
Payments for capital assets	3 446 162	5 128 066		1 681 904
Payment for financial assets				
Executive authority	MEC for Health			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 4.1 DEPARTMENT OF HEALTH

Programmes	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		
R thousand								
1. Administration	2 004 072	278 873	21 900	101 000			401 773	2 405 845
2. District Health Services	19 973 067	(765 447)	113 453	(383 520)	(40 623)		(1 076 137)	18 896 930
3. Emergency Medical Services	1 586 670							1 586 670
4. Provincial Hospital Services	10 680 446	(788 516)	43 010	(15 500)	26 000		(735 006)	9 945 440
5. Central Hospital services	20 204 885	(165 561)	161 526	(498 928)	(25 700)		(528 663)	19 676 222
6. Health Sciences & Training	1 264 139	(300 000)		15 500			(284 500)	979 639
7. Health Care Support Services	340 264			45 000			45 000	385 264
8. Health Facilities Management	4 223 045			736 448			736 448	4 959 493
Total for programmes	60 276 588	(1 740 651)	339 889		(40 323)		(1 441 085)	58 835 503

Economic classification	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		
R thousand								
Current payments	55 080 649	(1 740 651)	51 316	(1 297 281)	(21 825)		(3 008 441)	52 072 208
Compensation of employees	34 492 256	(2 065 505)		(683 904)	33 354		(2 716 055)	31 776 201
Salaries & wages	29 531 421	(1 857 001)		(499 446)	33 354		(2 323 093)	27 208 328
Social contribution	4 960 835	(208 504)		(184 458)			(392 962)	4 567 873
Goods and services	20 588 393	324 854	51 316	(613 377)	(55 179)		(292 386)	20 296 007
Transfers and subsidies	1 749 777			(114 548)			(114 548)	1 635 229
Provinces and municipalities	632 870			(112 381)			(112 381)	520 489
Departmental agencies and accounts	23 352							23 352
Higher education institutions	15 459							15 459
Non-profit institutions	723 739			(112)			(112)	723 627
Households	354 357			(2 055)			(2 055)	352 302
Payments for capital assets	3 446 162		288 573	1 411 829	(18 498)		1 681 904	5 128 066
Buildings and other fixed structures	1 315 428			1 803 755			1 803 755	3 119 183
Machinery and equipment	2 130 734		288 573	(391 926)	(18 498)		(121 851)	2 008 883
Payments for financial assets								
Total economic classification	60 276 588	(1 740 651)	339 889		(40 323)		(1 441 085)	58 835 503

The appropriated budget of the Gauteng Department of Health is adjusted downward by a net amount of R1.4 billion to an adjusted appropriation of R58.8 billion.

The decrease is mainly attributable to the surrender of R2.1 billion from “compensation of employees” to implement the government’s initiative to reduce the growth of the public sector wage bill. Furthermore, the Comprehensive HIV, AIDS and TB grant is reduced by a total of R47.9 million of which R3.8 million is from the Community Health Outreach component, R37.2 million from Comprehensive HIV, AIDS component, R739 000 from the Tuberculosis component and R6.1 million from the COVID-19 component. The aforementioned reductions are effected by the national government to fund the business rescue plan for the South African Airways. However, the Statutory Human Resources Training and Development Grant is adjusted upward by R33.3 million to fund the Presidential Employment Initiative through the appointment of nurses and assistant/auxiliary nurses on a contract basis until 31 March 2021. Another upward adjustment is the appropriation of R324.9 million which is reallocated from the provincial departments that benefitted from the central procurement of personal protective equipment (PPE). The procurement of PPE was decentralised in the province effective 1st July 2020.

A total amount of R339.9 million is appropriated as roll-overs from the preceding financial year of which R50.9 million is from the equitable share and R288.5 million from conditional grants. The department also reprioritises its budget internally by shifting funds from goods and services to buildings and other infrastructure to operationalise the COVID-19 facilities. 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 as a result of accrued liabilities and the higher need for services from patients.

The transfer’s payments’ budget is reprioritised to provide for the appointment of personnel for Emergency Medical Services (EMS) due to the provincialisation of Ekurhuleni EMS. Shifts and virement within payments for capital assets considers the revised medical and allied equipment needs funded through the National Tertiary Services and the Statutory Human Resources Capacitation grant.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 4.2 PROGRAMME 1: ADMINISTRATION

Sub-programmes	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		
R thousand								
1. Office of The MEC	24 043							24 043
2. Management	1 980 029	278 873	21 900	101 000			401 773	2 381 802
Total for programme	2 004 072	278 873	21 900	101 000			401 773	2 405 845

Economic classification	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		
R thousand								
Current payments	1 992 718	278 873	21 900	101 000			401 773	2 394 491
Compensation of employees	494 453	(45 981)		18 500			(27 481)	466 972
Salaries & wages	436 998	(45 981)		18 500			(27 481)	409 517
Social contribution	57 455							57 455
Goods and services	1 498 265	324 854	21 900	82 500			429 254	1 927 519
Transfers and subsidies	2 729							2 729
Provinces and municipalities								
Households	2 729							2 729
Payments for capital assets	8 625							8 625
Buildings and other fixed structures								
Machinery and equipment	8 625							8 625
Payments for financial assets								
Total economic classification	2 004 072	278 873	21 900	101 000			401 773	2 405 845

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

Economic classification	Motivation	From	Motivation	To
Current payments		(36 300)		137 300
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.	(36 300)	Funds are reprioritised towards emerging and pressing COVID-19 activities. Items funded include procurement of consumables supplies (PPEs), printing and placing of pamphlets at strategic places to increase awareness and inform communities and employees about COVID-19.	137 300
Transfers and subsidies				
Payments for capital assets				
Payments for financial assets				
Total economic classification		(36 300)		137 300

Function shifts, Suspensions and Surrenders: R278.9 million

An amount of R27.5 million is surrendered from “compensation of employees” in support of government’s initiative to support fiscal consolidation. In addition, the department receives a total of R346.7 million from the allocation of provincial departments which benefitted from the centralized procurement of personal protective equipment. The net effect of these aforementioned adjustments is an increase of R278.9 million.

Roll-overs: R21.9 million

The budget of the programme is also increased by R21.9 million which is the appropriation of unspent funds to fulfil commitments on the procurement of medical supplies.

Virements and shifts

The shifting of funds within the programme is informed by reprioritisation to align spending with budget within the compensation of employees’ item within the Sub-programme Management. Funds are also shifted within the goods and services item as a result of the implementation of cost-containment measures, and a saving was realised on travel and subsistence and stationery items. These funds are reallocated to enhance the departmental communication strategy thus ensuring adequate engagement with stakeholders and to pay other core commitments. A virement of R101 million is made available from Programme 2: District Health Services towards commitments and the procurement of personal protective equipment.

Programme 2: District Health Services

TABLE 4.4 PROGRAMME 2: DISTRICT HEALTH SERVICES

Sub-programmes	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		
R thousand								
1. District Management	893 359			(151 849)			(151 849)	741 510
2. Community Health Clinics	2 791 205	(100 000)		64 740			(35 260)	2 755 945
3. Community Health Centres	2 680 516	(323 642)		26 445			(297 197)	2 383 319
4. Community Based Services	2 826 846	(341 151)	594	(106 411)			(446 968)	2 379 878
5. HIV And AIDS	6 102 639		112 859		(47 977)		64 882	6 167 521
6. Nutrition	65 227			(112)			(112)	65 115
7. Coroner Services	287 577	(654)		(3 374)			(4 028)	283 549
8. District Hospitals	4 325 698			(212 959)	7 354		(205 605)	4 120 093
Total for programme	19 973 067	(765 447)	113 453	(383 520)	(40 623)		(1 076 137)	18 896 930

Economic classification	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		
R thousand								
Current payments	18 915 282	(765 447)	416	(383 357)	(39 387)		(1 187 775)	17 727 507
Compensation of employees	11 447 911	(765 447)		(389 476)	7 354		(1 147 569)	10 300 342
Salaries & wages	9 801 881	(665 447)		(379 618)	7 354		(1 037 711)	8 764 170
Social contribution	1 646 030	(100 000)		(9 858)			(109 858)	1 536 172
Goods and services	7 467 371		416	6 119	(46 741)		(40 206)	7 427 165
Transfers and subsidies	881 756							881 756
Provinces and municipalities	445 569							445 569
Non-profit institutions	406 739			(112)			(112)	406 627
Households	29 448			112			112	29 560
Payments for capital assets	176 029		113 037	(163)	(1 236)		111 638	287 667
Buildings and other fixed structures								
Machinery and equipment	176 029		113 037	(163)	(1 236)		111 638	287 667
Payments for financial assets								
Total economic classification	19 973 067	(765 447)	113 453	(383 520)	(40 623)		(1 076 137)	18 896 930

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

Economic classification	Motivation	From	Motivation	To
Current payments		(1 029 923)		646 566
Compensation of employees	Realignment of compensation of employees' budget	(434 145)	Realignment of compensation of employees' budget to align with expenditure.	44 669
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.	(595 778)	Funds are reprioritised towards emerging and pressing COVID-19 activities. Items funded include procurement of consumables supplies (PPEs), printing and placing of pamphlets at strategic places to increase awareness and inform communities and staff about COVID-19.	601 897
Transfers and subsidies		(662)		662
Non-profit institutions	Delays in implementation of the nutrition programme as a result of lock-down regulations.	(112)		
Households	Realignment of budget as funds are shifted within district management sub-programmes.	(550)	Realignment of budget as funds are shifted within district management sub-programmes.	662
Payments for capital assets		(11 311)		11 148
Machinery and equipment	Realignment of budget as funds are shifted within district management sub-programmes.	(11 311)	Realignment of budget as funds are shifted within district management sub-programmes.	11 148
Payments for financial assets				
Total economic classification		(1 041 896)		658 376

Function shifts, Suspensions and Surrenders: R765.4 million

An amount of R765.4 million is surrendered from "compensation of employees" in support of government's initiative to contain growth in the public sector wage bill by doing away with improvement in conditions of service.

Roll-overs: R113.4 million

A total of R113.4 million is rolled-over of which R594 000 is from the Social Sector EPWP grant and R112.9 million from the Comprehensive HIV, AIDS and TB grant to fund commitments on goods and services and machinery procured in the prior financial year.

Virements, and shifts

A further R383.5 million is shifted from the District Health Services programme to the Health Facilities Management programme to correctly align the funds received during the COVID-19 special adjustment budget process.

Additional funding: National (R40.6 million)

The Comprehensive HIV, AIDS and TB grant is reduced by R47.9 million as a result of delays in implementing conditional grant

business plans due to the impact of COVID-19 lockdown regulations. This reduction was effected by the national government to fund the business rescue plan of the South African Airways.

In addition, an amount of R7.3 million is made available as additional funding through the Statutory Human Resources and Training and Development grant to appoint the enrolled nurses and assistant/auxiliary nurses on contract until the 31 March 2020. This forms part of the Presidential Employment Initiative within the health sector.

Programme 3: Emergency Medical Services

TABLE 4.6: PROGRAMME 3: EMERGENCY MEDICALS SERVICES

Sub-programmes	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		
R thousand								
1. Emergency Transport	1 392 113			30 600			30 600	1 422 713
2. Planned Patient Transport	194 557			(30 600)			(30 600)	163 957
Total for programme	1 586 670							1 586 670

Economic classification	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		
R thousand								
Current payments	1 057 169			(56 000)			(56 000)	1 001 169
Compensation of employees	674 402			40 000			40 000	714 402
Salaries & wages	565 293			37 000			37 000	602 293
Social contribution	109 109			3 000			3 000	112 109
Goods and services	382 767			(96 000)			(96 000)	286 767
Transfers and subsidies	190 156			(114 281)			(114 281)	75 875
Provinces and municipalities	187 301			(112 381)			(112 381)	74 920
Households	2 855			(1 900)			(1 900)	955
Payments for capital assets	339 345			170 281			170 281	509 626
Buildings and other fixed structures								
Machinery and equipment	339 345			170 281			170 281	509 626
Payments for financial assets								
Total economic classification	1 586 670							1 586 670

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

Economic classification	Motivation	From	Motivation	To
Current payments		(111 400)		55 400
Compensation of employees			Reclassification of budget to implement the provincialisation of the Ekurhuleni EMS services.	40 000
Goods and services	Funds are reallocated within the programme to make provision for the provincialisation of Ekurhuleni EMS.	(111 400)	Realignment of budget due to slow spending to defray excess expenditure within the sub-programmes on medical supplies, consumables supplies, other supplies and fuel, oil & gas.	15 400
Interest and rent on land				
Transfers and subsidies		(114 281)		
Provinces and municipalities	Shifting of funds due to provincialisation of Ekurhuleni EMS.	(112 381)		
Households	Realignment of budget as funds are shifted within district management sub-programmes.	(1 900)		
Payments for capital assets				170 281
Machinery and equipment			Funds are shifted to machinery and equipment to procure fleet and make provision for payment of accruals mainly due to provincialisation of Ekurhuleni EMS.	170 281
Payments for financial assets				
Total economic classification		(225 681)		225 681

Virements and shifts

An amount of R96 million is shifted from goods and services and R112 million from municipalities, of which R40 million is reallocated to compensation of employees to recruit additional staff in order to implement the final provincialisation process of the Ekurhuleni EMS and R170 million is reallocated to machinery and equipment to procure and recapitalise Emergency Medical Services (EMS) fleet. The budget is also reprioritised within the programme to sustain and operationalise ambulance services.

Programme 4: Provincial Hospital Services

TABLE 4.8: PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Sub-programmes	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		
R thousand								
1. General Hospitals	7 713 325	(483 678)	25 014	(1 320)	26 000		(433 984)	7 279 341
2. Tuberculosis Hospitals	403 868	(52 048)		(18 014)			(70 062)	333 806
3. Psychiatric/Mental Hospitals	1 757 486	(183 579)	8 603	2 514			(172 462)	1 585 024
4. Dental Training Hospitals	695 126	(69 211)	9 393	1 320			(58 498)	636 628
5. Other Specialised Hospitals	110 641							110 641
Total for programme	10 680 446	(788 516)	43 010	(15 500)	26 000		(735 006)	9 945 440

Economic classification	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		
R thousand								
Current payments	10 509 347	(788 516)	29 000	(19 485)	26 000		(753 001)	9 756 346
Compensation of employees	7 903 125	(788 516)			26 000		(762 516)	7 140 609
Salaries & wages	6 883 126	(710 012)		17 353	26 000		(666 659)	6 216 467
Social contribution	1 019 999	(78 504)		(17 353)			(95 857)	924 142
Goods and services	2 606 222		29 000	(19 485)			9 515	2 615 737
Transfers and subsidies	16 390			(267)			(267)	16 123
Households	16 390			(267)			(267)	16 123
Payments for capital assets	154 709		14 010	4 252			18 262	172 971
Machinery and equipment	154 709		14 010	4 252			18 262	172 971
Payments for financial assets								
Thefts & Losses								
Total economic classification	10 680 446	(788 516)	43 010	(15 500)	26 000		(735 006)	9 945 440

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

Economic classification	Motivation	From	Motivation	To
Current payments		(161 368)		141 883
Compensation of employees	Realignment of compensation of employees' budget to align with expenditure.	(35 673)	Realignment of compensation of employees' budget to align with expenditure.	35 673
Goods and services	Shifting of budget necessitated by saving on items such as medicine, food supply, materials and supply and communication as a result of lockdown regulations.	(125 695)	Funds are reprioritised towards emerging and pressing COVID-19 activities.	106 210
Transfers and subsidies		(267)		
Households	Realignment of budget to align with expenditure.	(267)		
Payments for capital assets				4 252
Machinery and equipment			Realignment of budget to align with expenditure.	4 252
Payments for financial assets				
Total economic classification		(161 635)		146 135

Function Shifts, Suspensions and Surrenders: R788.5 million

An amount of R788.5 million is surrendered from "compensation of employees" in support of government's fiscal consolidation.

Virements and shifts

The programme budget' decreases by R15.5 million due to slow spending on planned activities as a result of COVID-19 regulations and a virement is effected to Programme 7: Health Care Support Services to defray excess expenditure on fuel, gas and consumable supplies.

Further shifts are implemented to make increased provision for mental health care service providers. The department continues to apply shifting of funds within items to alleviate excess expenditure on non-negotiable items to ensure that healthcare service delivery is not negatively affected by lack of budgets. The budget line items affected include, but not limited to fuel, oil and gas, medical supplies, other inventory and property payments.

Further reprioritisation availed additional budget for the priority hospitals identified by the Premier in his 2020 State of the Province Address and the MEC for Health during his 2020/21 budget vote speech.

Roll-overs: R43 million

A total amount of R43 million is rolled-over of which R3.9 million is from the National Tertiary Services grant and R10.6 million is from the Statutory Human Resources Capacitation grant to fund commitments made in the previous financial year. The remaining amount of R29 million is rolled-over from the equitable share for commitments on the procurement of medicine and laboratory services in the previous financial year.

Additional funding: National: R26 million

An amount of R26 million is made available as additional funding through the Statutory Human Resources, Training and Development grant to appoint the enrolled nurses and assistant/auxiliary nurses on contract until the 31 March 2020. This forms part of the Presidential Employment Initiative within the health sector.

Programme 5: Central Hospital Services

TABLE 4.10 PROGRAMME 5: CENTRAL HOSPITAL SERVICES

Sub-programmes	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		
R thousand								
1. Central Hospitals	15 714 743	(165 561)	118 303	(636 431)	(16 876)		(700 565)	15 014 178
2. Provincial Tertiary Hospital Services	4 490 142		43 223	137 503	(8 824)		171 902	4 662 044
Total for programme	20 204 885	(165 561)	161 526	(498 928)	(25 700)		(528 663)	19 676 222

Economic classification	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		
R thousand								
Current payments	18 999 545	(165 561)		(533 428)	(8 438)		(707 427)	18 292 118
Compensation of employees	12 832 286	(165 561)		(352 928)			(518 489)	12 313 797
Salaries & wages	10 845 573	(165 561)		(192 681)			(358 242)	10 487 331
Social contribution	1 986 713			(160 247)			(160 247)	1 826 466
Goods and services	6 167 259			(180 500)	(8 438)		(188 938)	5 978 321
Transfers and subsidies	366 215							366 215
Non-profit institutions	317 000							317 000
Households	49 215							49 215
Payments for capital assets	839 125		161 526	34 500	(17 262)		178 764	1 017 889
Machinery and equipment	839 125		161 526	34 500	(17 262)		178 764	1 017 889
Payments for financial assets								
Total economic classification	20 204 885	(165 561)	161 526	(498 928)	(25 700)		(528 663)	19 676 222

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

Economic classification	Motivation	From	Motivation	To
Current payments		(1 015 903)		482 475
Compensation of employees	Realignment of compensation of employees' budget	(530 616)	Realignment of compensation of employees' budget to align with expenditure.	177 688
Goods and services	Shifting of budget necessitated by saving on items such as medicine, medical supplies, contractors and agency and support and outsourced services and travel and subsistence items as a result of lockdown regulations,	(485 287)	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.	304 787
Transfers and subsidies				
Payments for capital assets				34 500
Machinery and equipment			Realignment of budget to align with expenditure.	34 500
Payments for financial assets				
Total economic classification		(1 015 903)		516 975

Function Shifts, Suspensions and Surrenders: R165.6 million

An amount of R165.6 million is surrendered from "compensation of employees" as part of government's initiative to support fiscal consolidation.

Roll-overs: R161.5 million

A total amount of R161.5 million is rolled-over of which R141.2 million is from the National Tertiary Services grant and R20.3 million is from the Statutory Human Resources Capacitation grant to fund commitments made in the previous financial year.

Virements and shifts

The programme budget decreases by R498.9 million to correctly allocate funding received during the COVID-19 special adjustment process for health infrastructure. In addition, shifting of budget within the sub-programmes is also effected to defray excess expenditure under laboratory services, medical supplies and medicine. Further reprioritisation is effected to supplement the budget of priority hospitals.

Additional funding: National: (R25.7 million)

An amount of R25.7 million is reduced from the National Tertiary Services grant by the national government to fund the business rescue plan of the South African Airways.

Programme 6: Health Sciences and Training

TABLE 4.12 PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Sub-programmes	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		
R thousand								
1. Nurse Training Colleges	897 660	(300 000)		30 959			(269 041)	628 619
2. EMS Training Colleges	42 149							42 149
3. Bursaries	228 319							228 319
4. Other Training	96 011			(15 459)			(15 459)	80 552
Total for programme	1 264 139	(300 000)		15 500			(284 500)	979 639

Economic classification	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		
R thousand								
Current payments	964 963	(300 000)		15 106			(284 894)	680 069
Compensation of employees	889 899	(300 000)					(300 000)	589 899
Salaries & wages	789 974	(270 000)					(270 000)	519 974
Social contribution	99 925	(30 000)					(30 000)	69 925
Goods and services	75 064			15 106			15 106	90 170
Transfers and subsidies	292 045							292 045
Departmental agencies and accounts	23 352							23 352
Higher education institutions	15 459							15 459
Households	253 234							253 234
Payments for capital assets	7 131			394			394	7 525
Machinery and equipment	7 131			394			394	7 525
Payments for financial assets								
Total economic classification	1 264 139	(300 000)		15 500			(284 500)	979 639

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		(7 917)		23 023
Goods and services	Shifting of budget necessitated by saving on items such as travel and subsistence and property payments as a result of lockdown regulations.	(7 917)	Realignment of budget due to slow spending to defray excess expenditure within sub-programmes mainly on training and development and operating leases items.	23 023
Transfers and subsidies		(15 459)		15 459
Higher education institutions	Realignment of budget to align with expenditure.	(15 459)	Realignment of budget to align with expenditure.	15 459
Payments for capital assets				394
Machinery and equipment			Realignment of budget to align with expenditure.	394
Payments for financial assets				
Total economic classification		(23 376)		38 876

Function Shifts, Suspensions and Surrenders: (R300 million)

An amount of R300 million is surrendered from "compensation of employees" as part of government's initiative to contain growth in the public sector wage bill.

Virements and shifts

An amount of R15.5 million is shifted to goods and services fund excess expenditure incurred on operating leases, bursaries and property payments.

Programme 7: Health Care Support Services

TABLE 4.14 PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

Sub-programmes	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		
R thousand								
1. Laundries	253 630			28 000			28 000	281 630
2. Food Supply Services	86 633			17 000			17 000	103 633
3. Medicine Trading Account	1							1
Total for programme	340 264			45 000			45 000	385 264

Economic classification	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		
R thousand								
Current payments	335 508			46 190			46 190	381 698
Compensation of employees	201 182							201 182
Salaries & wages	163 999							163 999
Social contribution	37 183							37 183
Goods and services	134 326			46 190			46 190	180 516
Transfers and subsidies	486							486
Non-profit institutions								
Households	486							486
Payments for capital assets	4 270			(1 190)			(1 190)	3 080
Machinery and equipment	4 270			(1 190)			(1 190)	3 080
Payments for financial assets								
Total economic classification	340 264			45 000			45 000	385 264

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		(1 035)		47 225
Goods and services	Shifting of funds since the consumable supplies and operating leases items are estimated to be adequately funded within the Sub-Programme.	(1 035)	Realignment of budget due to slow spending to defray excess expenditure within sub-programmes on property payment, fuel oil and gas, consumable supplies items.	47 225
Transfers and subsidies				
Payments for capital assets		(1 190)		
Machinery and equipment	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.	(1 190)		
Payments for financial assets				
Total economic classification		(2 225)		47 225

Virements and shifts

The programme is allocated an additional R45 million of which R28 million is for the Laundries sub-programme and R17 million for the Food Supply Services sub-programme to defray excess expenditure incurred on fuel, oil and gas because of the rollout of the gas contract to laundries. Further shiftings were made to defray excess expenditure within the programme.

Programme 8: Health Facilities Management

TABLE 4.16: PROGRAMME: HEALTH FACILITIES MANAGEMENT

Sub-programmes	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		
R thousand								
1. Community Health Facilities	424 365			118 234			118 234	542 599
2. Emergency Medical Rescue Services	54 000			(31 660)			(31 660)	22 340
3. District Hospital Services	1 131 969			(252 087)			(252 087)	879 882
4. Provincial Hospital Services	442 776			(159 630)			(159 630)	283 146
5. Central Hospital Services	931 669			532 493			532 493	1 464 162
6. Other Facilities	1 238 266			529 098			529 098	1 767 364
Total for programme	4 223 045			736 448			736 448	4 959 493

Economic classification	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		
R thousand								
Current payments	2 306 117			(467 307)			(467 307)	1 838 810
Compensation of employees	48 998							48 998
Salaries & wages	44 577							44 577
Social contribution	4 421							4 421
Goods and services	2 257 119			(467 307)			(467 307)	1 789 812
Transfers and subsidies								
Payments for capital assets	1 916 928			1 203 755			1 203 755	3 120 683
Buildings and other fixed structures	1 315 428			1 803 755			1 803 755	3 119 183
Machinery and equipment	601 500			(600 000)			(600 000)	1 500
Payments for financial assets								
Total economic classification	4 223 045			736 448			736 448	4 959 493

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

Economic classification	Motivation	From	Motivation	To
Current payments		(1 660 896)		1 193 589
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.	(1 660 896)	Reprioritisation of budget to cover costs for the variation orders in multiple projects as a result of COVID-19 lockdown regulations and investment in Alternative Building Technology projects.	1 193 589
Transfers and subsidies				
Payments for capital assets		(1 396 646)		2 600 401
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	(796 646)	Reprioritisation of budget to cover costs for the variation orders in multiple projects as a result of COVID-19 lockdown regulations and investment in Alternative Building Technology projects.	2 600 401
Machinery and equipment		(600 000)	Reclassification of budget.	
Payments for financial assets				
Total economic classification		(3 057 542)		3 793 990

Virements and shifts

Reprioritization of budget at an item and sub-programme level to cover costs for the variation orders in multiple projects as a result of COVID-19 lockdown regulations and investment in Alternative Building Technology projects.

3. Expenditure 2019/20 and Preliminary expenditure 2020/21

TABLE 4.18: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		% change 19/20 - 20/21 Apr-Sept
R thousand	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020		Adjusted appropriation	Apr 2020 - Sept 2020		
1. Administration	972 145	922 365	1 481 446	152%	2 405 845	2 081 350	126%
2. District Health Services	17 019 855	7 598 673	15 895 452	93%	18 896 930	8 237 285	8%
3. Emergency Medical Services	1 541 714	635 440	1 539 781	100%	1 586 670	765 271	20%
4. Provincial Hospital Services	9 451 980	4 550 562	9 224 458	98%	9 945 440	4 959 878	9%
5. Central Hospital Services	18 913 451	9 786 052	19 064 441	101%	19 676 222	9 226 185	-6%
6. Health Sciences And Training	1 251 743	569 486	1 045 256	84%	979 639	412 611	-28%
7. Health Care Support Services	337 788	180 970	368 944	109%	385 264	193 419	7%
8. Health Facilities Management	2 090 143	792 086	2 053 885	98%	4 959 493	1 834 808	132%
Total for programmes	51 578 819	25 035 634	50 673 663	98%	58 835 503	27 710 807	11%
Current payments	46 957 874	23 026 459	46 323 290	99%	52 072 208	25 088 524	11%
Compensation of employees	29 917 375	14 264 372	29 203 076	98%	31 776 201	15 149 878	6%
Goods and Services	17 040 499	8 760 813	17 117 833	100%	20 296 007	9 938 646	13%
Interest and rent on land		1 274	2 381				
Transfers and subsidies	1 802 113	1 040 572	2 310 826	128%	1 635 229	865 233	11%
Provinces and municipalities	706 220	129 172	705 394	100%	520 489	252 295	95%
Departmental agencies and accounts	22 135		22 135	100%	23 352	23 352	
Non-profit institutions	720 943	373 604	672 292	93%	723 627	319 780	-14%
Households	338 162	537 720	909 517	269%	352 302	258 040	-52%
Payments for capital assets	2 818 832	966 228	2 035 549	72%	5 128 066	1 757 030	82%
Buildings and other fixed structures	931 387	254 324	451 786	49%	3 119 183	1 122 735	341%
Machinery and equipment	1 887 445	711 904	1 583 763	84%	2 008 883	634 295	-11%
Payments for financial assets		2 375	3 998			20	
Total economic classification	51 578 819	25 035 634	50 673 663	98%	58 835 503	27 710 807	11%

Expenditure trends for 2019/20

The department's total expenditure for the financial year amounted to R50.7 billion which translates to 98 per cent of the total budget of R51.6 billion. Total expenditure for the first quarter of 2019/20 is 11% more than the first quarter of 2019/20.

Increased expenditure on compensation of employees was due to higher health care wage bill caused by increased personnel headcount and payment of community health care workers.

The overall overspending on goods and services was as a result of increased costs incurred towards payment of 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 gratuities to qualifying employees who exited the system because of natural attrition as well as payments for medico-legal claims.

The reduction in transfers to non-profit institutions is due to the reclassification of payment for community health care workers to the item, compensation of employees.

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.

Preliminary expenditure trends for the first half of 2020/21

The department spent R27.7 billion in the first half of 2020/2021 compared to R25 billion in the first half of 2019/20. This is mainly due to the payment of centralized procurement of personal protective equipment procured on behalf of other departments, previous financial year's accruals payment, increased payment of medico-legal claims as well as the payment of the health care personnel bill.

Programme 1: Administration

The total amount spent at the end of 2020/21 first quarter is R2.1 billion which is comparatively more than the R922.3 million spent in the 2019/20 financial year mainly due to payment of personal protective equipment (PPE) and payment of medico-legal claims that has been centralised to the programme.

Programme 2: District Health Services

Spending under this programme is R8.2 billion at the end of the first quarter which is slightly higher than the R7.6 billion spent in the first half of the 2019/2020 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 R765.2 million which is slightly higher than the R635.4 million spent in the same period of 2018/19 financial year due to the payment of accruals.

Programme 4: Provincial Hospital Services

During the period under review, the spending in this programme has increased with an amount of R409.3 million when compared with the same period in the 2019/20 financial year. The increased spending is due to payment of accruals and an increase in services rendered to mental health care patients.

Programme 5: Central Hospital Services

The overall change in expenditure for the first six months of the financial year decreased by 6 per cent from R9.7 billion in 2019/20 to R9.2 billion in 2020/21. The decrease is due to the impact of COVID-19 on hospitals services.

Programme 6: Health Sciences and Training

The mid-term expenditure for this programme amounted to R412.6 million which is less when compared to the same period for the previous financial year which amounted to R569.4 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 2020/21 second quarter expenditure in this programme is at R193.4 million which is slightly higher than the R180.9 million spent in the 2019/20 financial year due to payment of accruals and increased cost on fuel, oil and gas as a result of the roll-out of the gas contract to laundries.

Programme 8: Health Facilities Management

Expenditure in this programme is more by R1 billion when compared to the second quarter of the previous financial year due COVID-19 related projects that were implemented in anticipation of the surge.

4. Departmental Receipts

TABLE 4.19: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		April 2019 - March 2020 as a % of adjusted appropriation	Actual Receipts		
April 2019 - Sep 2019		April 2019 - Mar 2020	Adjusted appropriation		Apr 2020-Sep 2020	% change 19/20-20/21 Apr-Sep	
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	502 355	266 214	628 763	25.2%	463 729	182 010	(31.6%)
Of which Health patient fees	415 039	218 124	531 911		371 613	137 790	(36.8%)
Transfers received						172	
Fines, penalties and forfeits	62	(45)	55	(12.9%)	69	1	(102.2%)
Interest, dividends and rent on land	1 502	368	915	(39.1%)	1 582	174	(52.7%)
Sales of capital assets		4 301	4 301				(100%)
Financial transactions in assets and liabilities	32 877	29 123	94 212	186.6%	34 620	26 728	(8%)
Total	536 796	299 961	728 245	35.7%	500 000	209 085	(30%)

Revenue trends for the first half of the 2020/21

The actual revenue collected by the end of the 2019/20 financial year amount to R728 million which was an over collection against the revenue budget of R536.8 million.

The amount collected as the end of September 2020 amounted to R209 million which decreased by R90 million when compared to 2019/20 collection of R299 million. The reason for the decrease in revenue collected is attributed to unsatisfactory RAF payments received because of RAF offices which were closed to comply with the lockdown restrictions. Furthermore, the late implementation of Uniform Patient Fees Schedule Tariff increment due to the delay by National Health Council convening to endorse the Tariffs as a result of COVID-19 Pandemic.

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

5.1 Changes to transfers and subsidies

TABLE 4.20: CHANGES TO TRANSFERS AND SUBSIDIES

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		
1. Administration	2 729							2 729
HOUSEHOLDS (HH)	2 729							2 729
Programme 2	881 756							881 756
PROVINCIAL AND LOCAL GOVERNMENTS	445 569							445 569
NON PROFIT INSTITUTIONS (NPI)	406 739			(112)			(112)	406 627
HOUSEHOLDS	29 448			112			112	29 560
Programme 3	190 156			(114 281)			(114 281)	75 875
PROVINCIAL AND LOCAL GOVERNMENTS	187 301			(112 381)			(112 381)	74 920
HOUSEHOLDS (HH)	2 855			(1 900)			(1 900)	955
Programme 4	16 390			(267)			(267)	16 123
HOUSEHOLDS (HH)	16 390			(267)			(267)	16 123
Programme 5	366 215							366 215
Programme 6	292 045							292 045
HIGHER EDUCATION INSTITUTIONS	15 459							15 459
HOUSEHOLDS (HH)	253 234							253 234
Programme 7	486							486
Total changes in transfers and subsidies payments	1 749 777			(114 548)			(114 548)	1 635 229

Virements and shifts

Transfers to municipalities in Programme 3: Emergency Medical Services decreases by R112 million due to a shift of R40 million to compensation of employees to implement the final provincialisation process of the Ekurhuleni EMS. The remaining amount of R72.3 million is reallocated machinery and equipment to procure and recapitalise emergency medical services fleet.

Transfers to non-profit institutions decreases by R112 000 due to delays to implement Nutrition programme as a result of lock-down regulations.

5.2 Changes to conditional grants

TABLE 4.21: 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 1	115 996							115 996
Provincial Disaster Relief Grant	115 996							115 996
Programme 2	5 969 558		113 453		(40 623)		72 830	6 042 388
Social Sector EPWP grant	29 930		594				594	30 524
HIV& AIDS Component	4 530 092		112 859		(37 259)		75 600	4 605 692
Tuberculosis Component	89 801				(739)		(739)	89 062
Community Outreach Services Component	462 701				(3 805)		(3 805)	458 896
National Health Insurance grant	53 674							53 674
HR Capacitation Component	22 278				7 354		7 354	29 632
Human Papillomavirus Vaccine Component	30 427							30 427
COVID-19 Component	750 655				(6 174)		(6 174)	744 481
Programme 4	368 198		14 010		26 000		40 010	408 208
National Tertiary Services grant	33 370		3 393				3 393	36 763
Health Professions Training and Development Component	250 325							250 325
HR Capacitation Component	84 503				26 000		26 000	110 503
Health Professions Training and Development Component			10 617				10 617	10 617

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 5	5 971 111		161 526		(25 700)		135 826	6 106 937
National Tertiary Services grant	4 992 209		141 211		(25 700)		115 511	5 107 720
Health Professions Training and Development Component	827 763		20 315				20 315	848 078
HR Capacitation Component	151 139							151 139
Programme 8	970 406							970 406
Health Facility Revitalisation grant	968 210							968 210
EPWP Integrated grant	2 196							2 196
Total changes in conditional grants	13 395 269		288 989		(40 323)		248 666	13 643 935
EPWP Integrated grant	2 196							2 196
Total changes in conditional grants	13 395 269		288 989		(40 323)		248 666	13 643 935

Roll-overs: R288.9 million

The conditional grants' allocated to the department is also adjusted to appropriate approved roll-overs from the preceding financial year of which R112.9 million is from the Comprehensive HIV, AIDS and TB grant to fund commitments on machinery and equipment, R144.6 million is from the National Tertiary Services grant to fund commitments on machinery and equipment, R30.9 million is from the Statutory Human Resources and Training and Development grant and R594 000 is for the Social Sector Expanded Public Works grant to fund commitments.

Additional funding: National: (40.3 million)

A total amount of R47.9 million is surrendered from the Comprehensive HIV, AIDS and TB grant due to a reduction in this grant by the national government to fund the rescue plan of the South African Airways. Of this total amount R3.7 million is from the Community Outreach Component, R37.3 million is from the Comprehensive HIV, AIDS component, R739 000 from the Tuberculosis component and R6.1 million from the COVID-19 component. In line with this principle, the National Tertiary Services grant is also adjusted downward by R25.7 million.

An amount of R33. 3 million is added to the Statutory Human Resource Training and Development grant to appoint enrolled nurses and assistance/auxiliary nurses on a contract basis until the end of March 2021.

5.3 Changes to infrastructure

Refer to 2020-21 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 5**DEPARTMENT OF EDUCATION**

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	54 462 971	52 876 598	(1 586 373)	
of which:				
Current payments	48 300 199	45 697 489	(2 602 710)	
Transfers and subsidies	5 219 550	6 394 556		1 175 006
Payments for capital assets	943 222	784 553	(158 669)	
Payment for financial assets				
Executive authority	MEC for Education			
Accounting officer	Head of Department			

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.

Changes to programme purpose, objectives and measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

Table 5.1 DEPARTMENT OF EDUCATION

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		
1. Administration	3 723 038	(107 391)					(107 391)	3 615 647
2. Public Ordinary School Education	41 738 073	(2 234 841)	52 375	(112 200)			(2 294 666)	39 443 407
3. Independent School Subsidies	901 175							901 175
4. Public Special School Education	3 736 977	(46 140)		(840)			(46 980)	3 689 997
5. Early Childhood Development	1 403 029	(295 734)		(11 267)			(307 001)	1 096 028
6. Infrastructure Development	1 313 261					99 636	99 636	1 412 897
7. Examination and Education Related Services	1 647 418	(140 000)		124 307	1 085 722		1 070 029	2 717 447
Total for Programmes	54 462 971	(2 824 106)	52 375		1 085 722	99 636	(1 586 373)	52 876 598

Economic classification 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		
Current payments	48 300 199	(2 684 106)	52 375	(77 515)	6 900	99 636	(2 602 710)	45 697 489
Compensation of employees	39 880 977	(1 747 198)		(643)			(1 747 841)	38 133 136
Salaries & wages	34 451 180	(1 747 198)		(643)			(1 747 841)	32 703 339
Social contributions	5 429 797							5 429 797
Goods and services	8 419 222	(936 908)	52 375	(76 872)	6 900	99 636	(854 869)	7 564 353
Interest and rent on land								
Transfers and subsidies	5 219 550	(140 000)		236 184	1 078 822		1 175 006	6 394 556
Departmental agencies and accounts	79 274							79 274
Non-profit institutions	4 707 371			236 184	1 078 822		1 315 006	6 022 377
Households	432 905	(140 000)					(140 000)	292 905
Payments for capital assets	943 222			(158 669)			(158 669)	784 553
Buildings and other fixed structures	715 338			(206 534)			(206 534)	508 804
Machinery and equipment	203 884			(683)			(683)	203 201
Land and sub-soil assets	24 000			38 748			38 748	62 748
Software and other intangible assets				9 800			9 800	9 800
Payments for financial assets								
Total economic classification	54 462 971	(2 824 106)	52 375		1 085 722	99 636	(1 586 373)	52 876 598

The appropriation of the department decreases by a net amount of R1.6 billion from R54.5 billion to an adjusted appropriation of R52.8 billion for the 2020/21 financial year.

The department surrenders a total amount of R2.8 billion of which R2.4 billion is from compensation of employees in support of the country's fiscal consolidation stance to reduce the budget deficit by containing the growth of the public sector wage bill. This amount was allocated for improvement in conditions of service (ICS) and for the conversion of Early Childhood Development (ECD) practitioners' into PL1 posts. However, R641 million is taken from goods and services since the budget for compensation of employees was redirected during the special adjustment budget process and R1.7 billion is taken from the item, compensation of employees. The total amount surrendered also include an amount of R140 million from the Gauteng City Region Academy (GCRA) since bursary payments to higher education institutions cannot be processed before financial year-end due to the impact of COVID-19 on the academic year of universities. This amount will be reallocated to the department in the 2021/22 financial year to pay bursaries for the upcoming academic year. Furthermore, R300 million is surrendered for reallocation to the Gauteng Department of Health to reimburse it for the procurement of personal protective equipment (PPE) on behalf of the department.

The department receives R4.1 million from the Gauteng Provincial Treasury (GPT) to appoint probity auditors for implementation of the open tender process. In addition, R1.1 billion is received from national to implement the Presidential Employment Initiative and R99 million is received from the province for the maintenance and repairs of infrastructure at schools which was vandalised during the lockdown period and for the accelerated implementation of the Grade 9 and Grade 10 "Smart Classrooms" with access to computers and broadband internet.

The adjustments also include the appropriation of approved rollovers which amount to R52.2 million of which R50.6 million forms part of the National School Nutrition Programme grant and R1.7 million the Maths, Science and Technology grant.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 5.2: PROGRAMME ADMINISTRATION

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		
1. Office of the MEC	4 602							4 602
2. Corporate Services	2 010 659	(107 347)		16 937			(90 410)	1 920 249
3. Education Management	1 617 128	(44)		(1 184)			(1 228)	1 615 900
4. Human Resource Development	72 087			(15 279)			(15 279)	56 808
5. Edu Management Information System (EMIS)	18 562			(474)			(474)	18 088
Total for Programmes	3 723 038	(107 391)					(107 391)	3 615 647

Economic classification	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		
Current payments		3 651 123	(107 391)		(10 642)		(118 033)	3 533 090
Compensation of employees		2 942 568	(111 483)				(111 483)	2 831 085
Salaries & wages		2 457 136	(111 483)				(111 483)	2 345 653
Social contributions		485 432						485 432
Goods and services		708 555	4 092		(10 642)		(6 550)	702 005
Transfers and subsidies		6 524						6 524
Households		6 511						6 511
Payments for capital assets		65 391			10 642		10 642	76 033
Machinery and equipment		65 391			842		842	66 233
Software and other intangible assets					9 800		9 800	9 800
Payments for financial assets								
Total economic classification		3 723 038	(107 391)				(107 391)	3 615 647

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

Economic classification	Motivation	From	Motivation	To
Current payments		(58 839)		48 197
Compensation of employees				
Goods and services	Training activities and programmes suspended to respond to corona virus regulations and related expenses such as venues and facilities, catering, travelling costs will not be incurred. Forensic audit budget incorrectly allocated, funds shifted to correct item and furthermore there is excess funds remaining after paying software licenses. Funds shifted to augment items with budget pressure.	(58 839)	Correct allocation of budget for forensic audits and provision made to supplement the budget for rental of buildings and security services for safeguarding of office buildings. Provision is made for procurement of IT consumables and for data and airtime for employees working at home.	48 197
Transfers and subsidies				
Payments for capital assets				10 642
Machinery and equipment			Provision is made for procurement of desktop printing, server/mainframe and finance leases.	842
Software and other intangible assets			Overspending on software and intangible assets is defrayed as a result of expenditure on Microsoft licensing solution for modernization of teaching and learning.	9 800
Total economic classification		(58 839)		58 839

Function Shifts, Surrenders and Suspensions

The programme surrenders a net amount of R107.4 million which comprises of R4 million receipt for probity audit of open tenders and a R111.5 million surrender from compensation of employees for the implementation of government's initiative to contain the growth of the public sector wage bill within the affordable levels.

Virements and shifts

Shifts within the programme amount to R58.8 million to mainly cover the budget shortfall for rental expenses and to acquire additional office space in order to comply with occupational health and safety regulations. Other budget shortfalls addressed are security services for safeguarding of office buildings and budget for forensic audits is shifted to the correct item. Funds are mainly reprioritised from items where expenditure was suspended due to the cancellation and or postponement of departmental events to comply with corona virus regulations such as training and development, catering, venues and facilities etc.

Programme 2: Public Ordinary School Education

TABLE 5.4: PROGRAMME 2: PUBLIC ORDINARY SCHOOL

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		
Public Primary Schools	22 451 467	(1 285 007)		(19 125)			(1 304 132)	21 147 335
Public Secondary School	18 078 586	(949 834)		(70 705)			(1 020 539)	17 058 047
Human Resource Development	193 706			(9 310)			(9 310)	184 396
School Sport, Culture And Media Services	33 693			(13 060)			(13 060)	20 633
Conditional Grants	980 621		52 375				52 375	1 032 996
Total for Programmes	41 738 073	(2 234 841)	52 375	(112 200)			(2 294 666)	39 443 407

Economic classification	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		
Current payments	38 958 120	(2 234 841)	52 375	(320 547)			(2 503 013)	36 455 107
Compensation of employees	32 648 092	(1 293 841)		(643)			(1 294 484)	31 353 608
Salaries & wages	28 129 858	(1 293 841)		(643)			(1 294 484)	26 835 374
Social contributions	4 518 234							4 518 234
Goods and services	6 310 028	(941 000)	52 375	(319 904)			(1 208 529)	5 101 499
Transfers and subsidies	2 774 390			209 511			209 511	2 983 901
Non-profit institutions	2 643 650			209 511			209 511	2 853 161
Households	130 740							130 740
Payments for capital assets	5 563			(1 164)			(1 164)	4 399
Machinery and equipment	5 563			(1 164)			(1 164)	4 399
Payments for financial assets								
Total economic classification	41 738 073	(2 234 841)	52 375	(112 200)			(2 294 666)	39 443 407

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

Economic classification	Motivation	From	Motivation	To
Current payments		(737 635)		417 088
Compensation of employees	Reclassification of funds to make provision for the traveling under the Maths, Science and Technology conditional grant.	(643)		
Goods and services	Expenditure on scholar transport is expected to be low due to the lockdown period. The procurement of ICT LTSM has been reduced and deferred to the next financial year as there was a greater need for connectivity for learners and educators during the lockdown period. Cancellation and deferral of events such as training programmes, values in education programmes, sports and awards events and advocacy programmes has resulted in unspent funds in multiple items.	(736 992)	Provision for management and handling fees of LTSM not adequately budgeted for in the main budget and funds allocated for connectivity costs incurred during the lockdown period for virtual lessons. Funds are also allocated for procurement of sanitisers for scholar transport and for broadband connectivity at public ordinary schools.	417 088
Transfers and subsidies		(29 735)		239 246
Non-profit institutions	Training of educators through Matthew Goniwe was cancelled due to COVID 19 regulations.	(29 735)	Funds made available to support the SSIP programmes towards the catch-up programme to exams period and towards public ordinary schools' subsidies due to the increase in learner numbers, per learner allocation and exemption of school fees.	239 246
Payments for capital assets		(1 800)		636
Machinery and equipment	Delay in finalising the contracts for printing machines resulted in lower expenditure.	(1 800)	Provision made to procure audio visual equipment's.	636
Total economic classification		(769 170)		656 970

Function Shifts, Surrenders and Suspensions: R2.2 billion

Total surrendered by the programme amounts to R2.2 billion of which R300 million will be transferred to the Gauteng Department of Health to reimburse this department for expenditure incurred on the procurement of PPE on behalf the department. The remaining balance of R1.9 billion is surrendered from compensation of employees due to implementation of government's initiative to contain the growth of the public wage bill within the affordable levels.

Rollovers: R52.4 million

A total amount of R52.4 million is rolled over from the previous financial year of which R50.6 million is from the National School Nutrition Programme conditional grant to pay invoices that could not be submitted by service providers due to the unforeseen lockdown protocols and to fund the project to install washing basins at schools that could not be completed since some imported basins could not be delivered due to lockdown and COVID-19 restrictions. An amount of R1.7 million is from the Maths, Science and Technology conditional grant to settle invoices that were submitted late due to delays in concluding contracts which affected the procurement processes.

Virements and shifts

An amount of R112.2 million is reprioritised from the programme since expenditure on scholar transport was lower due to closure of schools during the lockdown period. These funds will be used to pay stipends to the COVID-19 youth brigade for scholar transport.

An amount of R417.1 million is reprioritised within goods and services. Funds are mainly shifted from scholar transport where R207.7 is reprioritised as learners could not be transported during the lockdown. Other items reduced is LTSM due to a reduction in the procurement of ICT LTSM, the cancellation and deferral of planned activities such as sports events, values in education and training programmes to comply with COVID-19 regulations. The budget will mainly fund communication costs as there was an increased need for data and airtime for employees working from home during the lockdown period. It further makes provision for sanitisers for scholar transport and supplements the budget for the management and handling fees of LTSM which was not adequately budgeted for in the main appropriation.

Transfers and subsidies increase by a net amount of R209 million, of which R39 million will be transferred to Sci-Bono Discovery Centre to make provision for the examinations catch-up programme. Subsidies to public ordinary schools is increased by an additional R190 million to cover budget shortfalls caused by an increase in the number of learners, more applications for exemption from the payment of school fees and an increase in the per capita subsidy.

Programme 3: Independent School Subsidies

TABLE 5.6: PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

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		
1. Primary Phase	537 412							537 412
2. Secondary Phase	363 763							363 763
Total for Programmes	901 175							901 175
Economic classification	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		
Current payments				6 000			6 000	6 000
Goods and services				6 000			6 000	6 000
Transfers and subsidies	901 175			(6 000)			(6 000)	895 175
Non-profit institutions	901 175			(6 000)			(6 000)	895 175
Payments for capital assets								
Payments for financial assets								
Total economic classification	901 175							901 175

TABLE 5.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: INDEPENDENT SCHOOL SUBSIDIES

Economic classification	Motivation	From	Motivation	To
Current payments				6 000
Goods and services			Provision for an audit of independent schools	6 000
Transfers and subsidies		(6 000)		
Non-profit institutions	Funds shifted to make provision for an audit of Independent Schools	(6 000)		
Payments for capital assets				
Total economic classification		(6 000)		6 000

Virements and Shifts

An amount of R6 million is reprioritised within the programme to make provision for an audit of independent schools.

Programme 4: Public Special Education

TABLE 5.8: PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

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		
1. Schools	3 698 395	(46 140)					(46 140)	3 652 255
2. Human Resource Development	2 416							2 416
3. School Sport, Culture And Media Services	2 451			(840)			(840)	1 611
4. Conditional Grants	33 715							33 715
Total for Programmes	3 736 977	(46 140)		(840)			(46 980)	3 689 997

Economic classification	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		
Current payments	2 856 477	(46 140)		(840)			(46 980)	2 809 497
Compensation of employees	2 825 156	(46 140)					(46 140)	2 779 016
Salaries & wages	2 406 529	(46 140)					(46 140)	2 360 389
Social contributions	418 627							418 627
Goods and services	31 321			(840)			(840)	30 481
Transfers and subsidies	879 550							879 550
Non-profit institutions	876 194							876 194
Households	3 356							3 356
Payments for capital assets	950							950
Machinery and equipment	950							950
Payments for financial assets								
Total economic classification	3 736 977	(46 140)		(840)			(46 980)	3 689 997

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

Economic classification	Motivation	From	Motivation	To
Current payments		(1 387)		547
Goods and services	Sport and culture budget surrendered by districts as planned activities did not take place due to the COVID-19 pandemic. Funds reprioritised from slow spending items within the Learners with Profound Intellectual Disability grant.	(1 387)	Funds are reprioritised to fund the procurement of health and safety consumables to respond to corona virus and for the procurement of Learner Teacher Support material within the Learners with Profound Intellectual Disability grant	547
Transfers and subsidies				
Payments for capital assets				
Total economic classification		(1 387)		547

Function Shifts, Surrenders and Suspensions

An amount of R46.1 million is surrendered from compensation of employees for the implementation of government's initiative to contain the growth of the public sector wage bill within the affordable levels.

Virements and shifts

The budget of this programme decreases by R840 000 which is reprioritised due to the cancellation of sports and culture events

due to the COVID-19 pandemic. Shifting of funds within the programme amount to R547 000. These movements are mainly effected to align the budget with the revised spending plans as activities which involved travelling and catering were cancelled due to the impact of COVID-19 pandemic.

Programme 5: Early Childhood Development

TABLE 5.10: PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

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		
1. Grade R In Public Schools	1 325 218	(295 734)					(295 734)	1 029 484
2. Grade R In Community Centres	21 607							21 607
3. Pre-Grade R Training	37 286			(11 267)			(11 267)	26 019
4. Human Resource Development	18 918							18 918
Total for Programmes	1 403 029	(295 734)		(11 267)			(307 001)	1 096 028

Economic classification	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		
Current payments		1 176 205	(295 734)		(1 010)			(296 744)	879 461
Compensation of employees		875 084	(295 734)					(295 734)	579 350
Salaries & wages		874 580	(295 734)					(295 734)	578 846
Social contributions		504							504
Goods and services		301 121			(1 010)			(1 010)	300 111
Transfers and subsidies		226 555			(10 257)			(10 257)	216 298
Non-profit institutions		226 555			(10 257)			(10 257)	216 298
Households									
Payments for capital assets		269							269
Buildings and other fixed structures									
Machinery and equipment		269							269
Payments for financial assets									
Total economic classification		1 403 029	(295 734)		(11 267)			(307 001)	1 096 028

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

Economic classification	Motivation	From	Motivation	To
Current payments		(11 267)		10 257
Goods and services	The planning activities in relation to the introduction of Grade RR which is part of the ECD function shift from Department of Social Development to the Education department has been deferred to the next financial year due to COVID 19. Budget shifted to areas of priority.	(11 267)	Funds allocated for the procurement of LTSM on behalf of schools, funds will not be transferred to schools	10 257
Transfers and subsidies		(10 257)		
Non-profit institutions	LTSM related to learner's reader's books will be procured centrally, funds will not be transferred to schools.	(10 257)		
Payments for capital assets				
Payments for financial assets				
Total economic classification		(21 524)		10 257

Function Shifts, Surrenders and Suspensions

An amount of R295.7 million is surrendered from compensation of employees for the implementation of government's initiative to contain the growth of the public sector wage bill within the affordable levels.

Virements and shifts

An amount of R11.3 million which was allocated to planning activities for the introduction of Grade RR and the resourcing of community-based centres will not be spent due to corona virus pandemic. These funds are reprioritised to pay stipends to the COVID-19 youth brigade who will assist to enforce health and safety protocols in schools. Budget shifts within the programme amount to R10.3 million where funds are shifted from transfers and subsidies to goods and services to procure learners' readers books (LTSM) which will be centrally procured as part of the reading strategy.

Programme 6: Infrastructure Development

TABLE 5.12: PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

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		
1. Administration	78 658			(17 291)			(17 291)	61 367
2. Public Ordinary Schools	1 108 722			15 939		99 636	115 575	1 224 297
3. Special Schools	102 331			10 828			10 828	113 159
4. Early Childhood Development	23 550			(9 476)			(9 476)	14 074
Total for Programmes	1 313 261					99 636	99 636	1 412 897

Economic classification	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		
Current payments	533 923			167 786		99 636	267 422	801 345
Compensation of employees	45 000							45 000
Salaries & wages	38 000							38 000
Social contributions	7 000							7 000
Goods and services	488 923			167 786		99 636	267 422	756 345
Transfers and subsidies	40 000							40 000
Payments for capital assets	739 338			(167 786)			(167 786)	571 552
Buildings and other fixed structures	715 338			(206 534)			(206 534)	508 804
Land and sub-soil assets	24 000			38 748			38 748	62 748
Payments for financial assets								
Total economic classification	1 313 261					99 636	99 636	1 412 897

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

Economic classification	Motivation	From	Motivation	To
Current payments		(20 794)		188 580
Goods and services	Funds which were budgeted to pay for consultants to do the surveys for old and dilapidated buildings of schools will not be spent due to COVID 19. Budget reprioritised towards maintenance of schools to address vandalism which occurred during the national lockdown.	(20 794)	Provision made for sanitation and adequate basic services for all schools, accelerated implementation of the Grade 9 and Grade 10 Smart Classrooms with access to computers and broadband internet and to address vandalism of schools during the national lockdown.	188 580
Transfers and subsidies				
Payments for capital assets		(216 962)		49 176
Buildings and other fixed structures	The planned upgrade and refurbishment of some schools has been put on hold in order to prioritise the maintenance of schools vandalised during the national lockdown period.	(216 962)	Funds needed for accelerated implementation of the Grade 9 and Grade 10 Smart Classrooms with access to computers and broadband internet.	10 428
Land and sub-soil assets			The department has undertaken a massive school infrastructure programme in the province to address the demand for new spaces caused by an increase in learner numbers.	38 748
Payments for financial assets				
Total economic classification		(237 756)		237 756

Additional funding: Provincial- R99 million

An amount of R99 million is received from the Gauteng Provincial Treasury to fund the maintenance and repair of schools vandalised during the national lockdown period and for the accelerated implementation of the Grade 9 and Grade 10 Smart Classrooms with access to computers and broadband internet.

Virements and shifts

Shifts of funds within the programme is to make provision for the repair and maintenance of schools vandalised during the lockdown period, for the accelerated implementation of the Grade 9 and Grade 10 Smart Classrooms with access to computers and broadband internet and for the acquisition of land for the massive school infrastructure programme to be undertaken by the department.

Programme 7: Examination and Education Related Services

TABLE 5.14: PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

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		
1. Payments to Seta	79 261							79 261
2. Professional Services	390 629			12 107			12 107	402 736
3. Special Projects	549 431	(140 000)		112 200	1 085 722		1 057 922	1 607 353
4. External Examinations	625 994							625 994
5. Conditional Grants	2 103							2 103
Total for Programmes	1 647 418	(140 000)		124 307	1 085 722		1 070 029	2 717 447

Economic classification	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		
Current payments		1 124 351			81 738	6 900	88 638	1 212 989
Compensation of employees		545 077						545 077
Salaries & wages		545 077						545 077
Goods and services		579 274			81 738	6 900	88 638	667 912
Transfers and subsidies		391 356	(140 000)		42 930	1 078 822	981 752	1 373 108
Departmental agencies and accounts		79 261						79 261
Non-profit institutions		19 797			42 930	1 078 822	1 121 752	1 141 549
Households		292 298	(140 000)				(140 000)	152 298
Payments for capital assets		131 711			(361)		(361)	131 350
Machinery and equipment		131 711			(361)		(361)	131 350
Payments for financial assets								
Total economic classification		1 647 418	(140 000)		124 307	1 085 722	1 070 029	2 717 447

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		(226 054)		307 792
Goods and services	Due to COVID 19 regulations most of the training of employees and non-employees have been postponed and the homework programme training has ended. Most events such as conferences, forums, workshop, behaviour modification camps, guided prison tours, etc. have been cancelled or postponed; costs such as venues and facilities, catering, travel costs and other costs related to events will not be incurred. Furthermore, budget for training of School governing body is reclassified from goods and services to transfers and subsidies.	(226 054)	Provision made to cover the stipend of the covid-19 youth brigade for scholar transport. Funds allocated for strengthening of the school safety initiatives by providing armed security guards and other improved security measures at high risk schools. Furthermore, funds are allocated to procure PPE such as medical kits, sanitisers, disposable papers etc. at marking venues.	307 792
Transfers and subsidies				42 930
Non-profit institutions			Reprioritisation of funds for training of educators and stakeholders on COVID 19 awareness. Reclassification of funds for training of School Governing Bodies (SGB).	42 930
Payments for capital assets		(397)		36
Buildings and other fixed structures				
Machinery and equipment	Some of the photocopy machine contract expired at end of March 2020; and due to lockdown, the procurement of new photocopier machine has been delayed. Funds reprioritised to pressure areas.	(397)	Provision to procure office equipment for examination support services.	36
Payments for financial assets				
Total economic classification		(226 451)		350 758

Function Shifts, Surrenders and Suspensions: (R140 million)

An amount of R140 million for the GCRA bursaries is surrendered and will be reallocated in the 2021/22 financial year due to the challenges experienced with the misalignment between the academic year and financial year. This has generally resulted in an adoption of a funding model that spreads funds that are earmarked for one financial year over two academic years.

Additional National Funding: R1.1 billion

The department received an amount of R1.1 billion through the Presidential Employment Initiative to provide for the employment of education assistants at schools and to save school governing body posts at fee-paying schools and government-subsidised independent schools where employees have been furloughed or had salaries reduced due to lower income from school fees and fund raising initiatives following the outbreak of the COVID-19 pandemic.

Virements and shifts

The programme received a total of R124.3 million to make provision for the payment of youth brigades' stipends relating to the scholar transport programme in compliance with the COVID-19 regulations and for strengthening school safety initiatives by providing armed security guards and other improved security measures in high risk schools.

Shiftings within the programme amount to R226.5 million which is mainly to align with the revised spending plans in activities relating to school monitoring and support due to the impact of the lockdown. Funds will be reprioritised towards the strengthening of security services in 346 high risk schools, continuous awareness creation and the training of educators and stakeholders on COVID-19 and the payment of stipends for the COVID-19 youth brigades relating to scholar transport. Furthermore, funds are shifted to make provision for the procurement of PPE for examinations related services and for the reclassification of the School Governing Bodies (SGB)' training budget.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

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

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Preliminary expenditure	
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Apr 2020 - Sept 2020			% change 19/20 - 20/21 Apr-Sept	
R thousand							
1. Administration	3 871 492	1 683 940	3 549 932	92%	3 615 647	1 851 742	10%
2. Public Ordinary School Education	37 561 991	17 354 934	36 826 127	98%	39 443 407	17 260 988	(1%)
3. Independent School Subsidies	854 194	575 765	835 469	98%	901 175	561 211	(3%)
4. Public Special School Education	3 380 585	1 736 784	3 322 223	98%	3 689 997	1 938 051	12%
5. Early Childhood Development	888 825	389 574	889 958	100%	1 096 028	416 720	7%
6. Infrastructure Development	1 515 197	476 773	1 515 192	100%	1 412 897	516 521	8%
7. Examination and Education Related Services	1 349 128	359 166	1 093 191	81%	2 717 447	294 018	(18%)
Total	49 421 412	22 576 936	48 032 092	97%	52 876 598	22 839 251	1%
Current payments	43 133 576	19 666 894	41 673 666	97%	45 697 489	19 700 259	0%
Compensation of employees	36 758 413	17 931 433	36 266 422	99%	38 133 136	18 060 879	1%
Goods and Services	6 375 105	1 735 403	5 407 186	85%	7 564 353	1 639 371	(6%)
Interest and rent on land	58	58	58	100%		9	(84%)
Transfers and subsidies	4 879 310	2 513 402	4 954 257	102%	6 394 556	2 766 126	10%
Provinces and municipalities							
Departmental agencies and accounts	105 143	105 038	105 038	100%	79 274	79 260	(25%)
Non-profit institutions	4 349 094	2 307 353	4 413 785	101%	6 022 377	2 601 723	13%
Households	425 073	101 011	435 434	102%	292 905	85 143	(16%)
Payments for capital assets	1 402 526	391 987	1 386 336	99%	784 553	372 866	(5%)
Buildings and other fixed structures	1 065 995	340 509	1 193 257	112%	508 804	207 485	(39%)
Machinery and equipment	299 363	45 084	156 026	52%	203 201	130 649	190%
Land and sub-soil assets	30 868	5 105	35 764	116%	62 748	24 953	
Software and other intangible assets	6 300	1 289	1 289	20%	9 800	9 779	
Payments for financial assets	6 000	4 653	17 833	297%			(100%)
Total	49 421 412	22 576 936	48 032 092	97%	52 876 598	22 839 251	1%

Expenditure trends for 2019/20

The department spent R48 billion against a budget of R49.4 billion which is 97.2% of the adjusted appropriation. The underspending is mainly attributable to vacant posts which were in the process of being filled by the end of the financial year and delays in appointments at school level. Furthermore, the procedure to implement ICT related projects through the Gauteng Department of e-Government resulted in delays in the finalisation of the processes, the introduction of a new system to procure LTSM resulted in delayed expenditure and invoices for feeding, construction of kitchens, gas installations and delivery of kitchen utensils, were received late from some school nutrition service providers. This was due to problems with the new invoicing system, late implementation of the scholar transport rate increase and non-delivery of ordered computers due to COVID 19. The manufacturers of the IT equipment is based in China and the closure of factories delayed the supply of the equipment.

Preliminary expenditure trends for the first half of 2020/21**Programme 1: Administration**

Total expenditure for the first six months of 2020/21 financial year amounts to R1.8 billion. This spending is 13 per cent more than the comparative figure from the 2019/20 financial year. The increase is attributable to higher rental expenses for the office building and municipal services.

Programme 2: Public Ordinary Schools

The department spent R17.3 billion as at the end of September 2020 compared to R17.3 billion in the same period of 2019/20. The non-increase in spending is due the impact of COVID-19 which resulted in early closure of schools. As such, school nutrition, scholar transport was not provided due to the closure of schools.

Programme 3: Independent Schools

Spending in the first half of 2020/21 amounts to R561 million compared to R576 million spent in the same period of 2019/20 financial year. A decrease of 3% is due to independent schools which did not qualify for subsidies based on outcome of the audit.

Programme 4: Public Special Schools

Expenditure in this programme is R1.9 billion in 2020/21 compared to R1.7 billion in 2019/20 due to increase in learner numbers which resulted in an increase in compensation of employees and improved spending on the Learner with Profound Intellectual Disabilities grant.

Programme 5: Early Childhood Development

The department spent R417 million as at the end of September 2020. This is an increase of 7 per cent compared to the same period in 2019/20. 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

Expenditure as at the end of September 2020 amounts to R517 million compared to R477 million spent in the same period of 2019/20 financial year. The 8 per cent increase is due to more infrastructure projects which are at the implementation stage in 2020/21.

Programme 7: Examination and Education Related Services

The department spent R294 million in this programme by the end of second quarter of 2020/21 compared to R359 million spent in the same period in 2019/20, which resulted in a decrease of 18 per cent decrease due to some funds for SETA being reprioritised towards COVID-19 and the cancellation of the June exams which was incorporated into the November examinations.

4. Departmental Receipts

TABLE 5.17: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	28 013	15 416	33 078	18%	29 554	15 243	(1%)
Of which Health patient fees				0%			
Transfers received				0%			0%
Fines, penalties and forfeits	42	37	112	167%	44	31	(16%)
Interest, dividends and rent on land	202	283	554	174%	213	99	(65%)
Sales of capital assets			40				
Financial transactions in assets and liabilities	4 513	3 645	22 986	409%	4 761	3 714	2%
Total Receipts	32 770	19 381	56 770	73%	34 572	19 087	(2%)

Revenue trends for the first half of 2019/20

The table above shows the contribution of each revenue source towards the total revenue generated at the end of second quarter of the 2020/21 financial year. The estimated actual revenue to be collected by the end of the 2020/21 financial year amount to R34.6 million. This remain the same as the main appropriation, thus there are no adjustments.

The total revenue collected for the first half of 2020/21 amounts to R 19.1 million or 55 percent of the expected collection for the 2020/21 financial year. There is a decrease of R294 000 when comparing the first half of 2020/21 and 2019/20 financial year. This is attributed to the low 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 non-contractual departmental debts and once-off collection from stale cheques, amongst others.

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

5.1 Changes to transfers and subsidies

TABLE 5.18: SUMMARY OF CHANGES TO TRANSFER AND SUBSIDIES

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		
1. Administration	6 524							6 524
Households	6 511							6 511
Dept Agencies and Accounts	13							13
2. Public Ordinary School Education	2 774 390			209 511			209 511	2 983 901
Households	130 740							130 740
Sci-Bono	269 787			1 799			1 799	271 586
Matthew Goniwe School of Leadership	177 347			(11 346)			(11 346)	166 001
Public Ordinary Schools	2 196 516			219 058			219 058	2 415 574
3. Independent Schools Subsidies	901 175			(6 000)			(6 000)	895 175
Independent Schools	901 175			(6 000)			(6 000)	895 175
4. Public Special School Education	879 550							879 550
Households	3 356							3 356
Matthew Goniwe School of Leadership	2 416							2 416
Special Schools	873 778							873 778
5. Early Childhood Development	226 555			(10 257)			(10 257)	216 298
Matthew Goniwe School of Leadership	42 273							42 273
Grade R sites	184 282			(10 257)			(10 257)	174 025

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 6	40 000							40 000
Public Ordinary Schools	40 000							40 000
7. Examination And Education Related Services	391 356	(140 000)		42 930	1 078 822		981 752	1 373 108
Households	292 298	(140 000)					(140 000)	152 298
SETA	79 261							79 261
Matthew Goniwe School of Leadership	19 797			42 930			42 930	62 727
Transfers to Schools					1 078 822		1 078 822	1 078 822
Total changes in transfers and subsidies payments	5 219 550	(140 000)		236 184	1 078 822		1 175 006	6 394 556

Function shifts, Surrenders and Suspensions: (R140 million)

Transfers to households decreases by R140 million due to the surrender of funds allocated for GCRA bursaries since the department is experiencing a challenge with the misalignment between the academic year and financial year. This has generally resulted in an adoption of a funding model that spreads funds that are earmarked for one financial year over two academic years.

Virements and shifts

Transfers to Sci-Bono Discovery Centre increases by R1.8 million to make provision for the examinations catch-up programme as part of Secondary School Improvement Programme (SSIP).

Transfers to Matthew Goniwe School of Leadership and Governance increases by R31.6 million due to reprioritisation of funds for training of educators and stakeholders on COVID 19 awareness. Furthermore, funds for training of School Governing Bodies (SGB) members were reclassified to NPIs.

Transfers to public ordinary schools increases by R219.1 million mainly due to Public Ordinary Schools' subsidies to cover budget shortfalls caused by an increase in learner numbers, school fees exemptions and an increase in the per capita subsidy. Transfers to independent Schools decreases by R6 million to make provision for the audit of independent schools.

Transfers to Grade R in public schools decreases by R10.3 million due to the provision made for procurement of learners readers books LTSM relating to Grade R in public schools which will be procured centrally by the department.

Additional National Funding: R1.1 billion

Transfers to schools increases by R1.1 billion because of the allocation of funding for the Presidential Employment Initiative to provide for the employment of education assistants at schools and to save school governing body posts at fee-paying schools and government-subsidised independent schools where employees have been furloughed or had salaries reduced due to lower income from school fees and fund raising initiatives following the outbreak of the COVID-19 pandemic.

5.2 Changes to conditional grants

TABLE 5.19: 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		
2. Public Ordinary School Education	980 621		52 375				52 375	1 032 996
HIV and AIDS (Life Skills Education) Grant	27 961							27 961
National School Nutrition Programme Grant	905 006		50 562				50 652	955 658
Maths, Science & Technology Grant	47 654		1 723				1 723	49 377
4. Public Special School Education	33 715							33 715
Learners with Profound Intellectual Disabilities Grant	33 715							33 715
Programme 6	1 274 620							1 274 620
Education Infrastructure Grant	1 274 620							1 274 620
7. Examination And Education Related Services	2 103							2 103
Expanded Public Works Programme Integrated Grant for Provinces	2 103							2 103
Total changes in conditional grants	2 291 059		52 375				52 375	2 343 434

Roll-overs: R52.4 million

A total amount of R52.4 million is rolled over from the previous financial year of which R50.6 million is from the National School Nutrition Programme conditional grant to pay invoices that could not be submitted by service providers due to the unforeseen lockdown protocols and to fund the project to install washing basins at schools that could not be completed since some imported basins could not be delivered due to lockdown and COVID-19 restrictions. An amount of R1.7 million is from the Maths, Science and Technology conditional grant to settle invoices that were submitted late due to delays in concluding contracts which affected the procurement processes.

5.3 Changes to infrastructure

Refer to 2020/21 Adjusted Estimates of Capital Expenditure

VOTE 6**DEPARTMENT OF SOCIAL DEVELOPMENT**

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted Appropriation	Decrease	Increase
Amount to be appropriated	5 823 317	5 887 349		64 032
of which:				
Current payments	3 234 827	3 213 209	(21 618)	
Transfers and subsidies	2 477 397	2 579 235		101 838
Payments for capital assets	111 093	94 905	(16 188)	
Payment for financial assets				
Executive authority	MEC for Social Development			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 6.1: DEPARTMENT OF SOCIAL DEVELOPMENT

Programmes	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		
R thousand								
1. Administration	727 408	(13 423)		17 859			4 436	731 844
2. Social Welfare Services	937 867	(3 760)		11 132			7 372	945 239
3. Children and Families	2 579 409	(53 840)		(5 876)	77 763		18 047	2 597 456
4. Restorative Services	746 017	(26 924)		488			(26 436)	719 581
5. Development and Research	832 616	(20 000)		(23 603)	104 216		60 613	893 229
Total for programmes	5 823 317	(117 947)			181 979		64 032	5 887 349
Economic classification								
R thousand								
Current payments	3 234 827	(117 947)		8 788	87 541		(21 618)	3 213 209
Compensation of employees	1 982 590	(118 724)					(118 724)	1 863 866
Salaries & wages	1 697 142	(106 249)		(7 885)			(114 134)	1 583 008
Social contribution	285 448	(12 475)		7 885			(4 590)	280 858
Goods and services	1 252 237	777		8 788	87 541		97 106	1 349 343
Transfers and subsidies	2 477 397			7 400	94 438		101 838	2 579 235
Departmental agencies and accounts	94							94
Non-profit institutions	2 468 814			7 900	94 438		102 338	2 571 152
Households	8 489			(500)			(500)	7 989
Payments for capital assets	111 093			(16 188)			(16 188)	94 905
Buildings and other fixed structures	90 833			(16 188)			(16 188)	74 645
Machinery and equipment	20 102							20 102
Software and other intangible assets	158							158
Payments for financial assets								
Thefts & Losses								
Total economic classification	5 823 317	(117 947)			181 979		64 032	5 887 349

The 2020-21 appropriation of the Gauteng Department of Social Development is adjusted upward by a net amount of R64 million to an adjusted appropriation of R5.9 billion.

The compensation of employees' budget is adjusted downward by R118.7 million in order to implement government's initiative to contain the growth of the public-sector wage bill within affordable levels. The net increase of R777 000 in goods and services is due to the payment of R1.7 million to the Gauteng Department of Health to reimburse it for the procurement of PPE on behalf of the department and a receipt of R2.4 million is from the Gauteng Provincial Treasury to be used for the appointment of probity auditors during the implementation of the open tender process.

An amount of R7.8 million is shifted within compensation of employees to align the personnel budget with the expenditure at programme and sub-programme level. Funds are reprioritised within goods and services to fund the outstanding project activities for the SAP CRM 7 upgrade and to procure personal protective equipment (PPEs) for residential facilities and for home-based care for older persons and persons with disabilities. Reprioritisation within goods and services also caters for the procurement of PPE for Early Childhood Development (ECD) centres which is in line with the support packages necessary to address basic health and hygiene practices. In addition, under goods and services, funds are also shifted to cater for the revised rates on outsourced services and for municipal services at departmental institutions and service points. A total amount of R8.7 million is reprioritised to goods and services in order to augment the budget allocated for the maintenance of facilities and to fund the shortfall in staff bursaries.

Transfers for households is reduced by R500 000 as the learnership programme for this year is postponed to the first quarter of the next financial year due to the impact of the COVID-19 pandemic. An amount of R7.9 million is shifted to non-profit institutions to fund gender-based violence (GBV) programmes including the installation of close circuit television (CCTV) cameras at 28 GBV shelters, the provision of human-trafficking prevention services and the appointment of supervisors at GBV shelters. An amount of R16.1 million is reprioritised from buildings and other fixed structures as the implementation of capital projects was disrupted by the COVID-19 pandemic. The affected projects include construction of Ratanda shelter, Soshanguve and Tembisa Rehabilitation centres, Bantubonke ECD, Khutsong Social Integrated Facility and Walter Sisulu CYCC demolition.

The department receives a total additional amount of R181.9 million of which R77.7 million is for income relief and R104.2 million for food relief programmes. The R77.7 million is allocated to the subsidy component of the ECD Grant as part of the Presidential Employment Initiative to respond to the increase in unemployment due to the COVID-19 pandemic. Through the additional allocation, the department will be able to provide employment risk support in both registered and unregistered

ECD centres and also top-up the salaries in ECD facilities for the additional duties of compliance support. The R104.2 million is allocated to the food relief programme of which R16.7 million is for food distribution centres and R87.5 million is for the procurement and distribution of food parcels. The food relief programme will be concentrated in areas where there is a high prevalence of hunger.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 6.2: PROGRAMME 1: ADMINISTRATION

Sub-programmes	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		
R thousand								
1. Office Of The MEC	10 190			1 252			1 252	11 442
2. Corporate Management Services	382 676	(10 223)		12 812			2 589	385 265
3. District Management	334 542	(3 200)		3 795			595	335 137
Total for programme	727 408	(13 423)		17 859			4 436	731 844

Economic classification	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		
R thousand								
Current payments	701 899	(13 423)		19 734			6 311	708 210
Compensation of employees	357 065	(14 200)					(14 200)	342 865
Salaries & wages	311 913	(13 200)		(384)			(13 584)	298 329
Social contribution	45 152	(1 000)		384			(616)	44 536
Goods and services	344 834	777		19 734			20 511	365 345
Transfers and subsidies	6 144			(500)			(500)	5 644
Departmental agencies and accounts	94							94
Households	6 050			(500)			(500)	5 550
Payments for capital assets	19 365			(1 375)			(1 375)	17 990
Machinery and equipment	19 207			(1 270)			(1 270)	17 937
Software and other intangible assets	158			(105)			(105)	53
Payments for financial assets								
Thefts & Losses								
Total economic classification	727 408	(13 423)		17 859			4 436	731 844

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

Economic classification	Motivation	From	Motivation	To
Current payments		(15 816)		35 550
Compensation of employees	Shifting of funds is done to align compensation of employees' budget to expenditure.	(2 760)	Shifting of funds is done to align compensation of employees' budget to expenditure.	2 760
Goods and services	Savings realised on training, catering, travel cost, transversal contract on photocopy machines, and stationery and vehicle leases due to COVID-19 regulations.	(13 056)	Funds are reprioritised to cover the estimated shortfall on the outstanding project activities for SAP CRM 7 upgrade and branding of vehicles. Funds are also shifted to cover the revised rates for outsourced services and budget for maintenance of buildings at the regions.	32 790
Transfers and subsidies		(500)		
Departmental agencies and accounts				
Non-profit institutions				
Households	Learnship intake for this year has been postponed to the first quarter of the next financial year due to the impact of the COVID-19 pandemic on the current academic year.	(500)		
Payments for capital assets		(1 897)		522
Buildings and other fixed structures				
Machinery and equipment	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.	(1 792)	Funds are shifted to District Management and Office of the MEC sub-programmes to offset expenditure incurred on the procurement of assets.	522
Software and other intangible assets	Budget for procurement of software is shifted to offset expenditure incurred in Programme 5: Research and Development. The software budget is centralised in the Corporate Management sub-programme.	(105)		
Payments for financial assets				
Total economic classification		(18 213)		36 072

Virements and shifts

The budget of the programme increases from R727.4 million to R731.8 million due to virements of funds from other programmes. Funds are shifted within compensation of employees to align the personnel budget with expenditure at a sub-programme level. Funds are also reprioritised within goods and services from items where there is slow spending due to COVID-19 pandemic such as catering, venue hire, stationery, travel and subsistence claims to ease spending pressures in other areas.

The goods and services' budget increases by R19.7 million to cover the outstanding project activities for SAP CRM 7 upgrade and the estimated cost of investigations to be conducted in the department. Funds are also reprioritised from external bursaries to supplement the budget for employees' bursaries due to the number of internal bursary applications received in the current financial year.

Transfers to households is reduced by R500 000 as the learnership intake for this year has been postponed to the first quarter of the next financial year due to the impact of the COVID-19 pandemic on the current academic year.

The budget allocated for procurement of assets in the department is centralised in Programme 1: Administration as a cost control measure hence R1.7 million is shifted to other programmes to cover expenditure incurred on assets.

Function shifts, surrenders and suspensions

The compensation of employees' budget in the programme is revised downwards by R14.2 million in order to implement the government's initiative to contain the growth of the public-sector wage bill within affordable levels. An amount of R1.7 million is reduced from goods and services to reimburse the Gauteng Department of Health for the procurement of personal PPE on behalf of the department.

The programme receives R2.4 million to appoint probity auditors for the implementation of open tender function. The open tender function is shifted from Gauteng Provincial Treasury to the department, effective 01 April 2020.

Programme 2: Social Welfare Services

TABLE 6.4: PROGRAMME 2: SOCIAL WELFARE SERVICES

Sub-programmes	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		
R thousand								
1. Management And Support	8 420	(260)		(868)			(1 128)	7 292
2. Care And Services To Older Persons	334 936	(2 700)		5 040			2 340	337 276
3. Services To Persons With Disabilities	159 877	(800)		(5 579)			(6 379)	153 498
4. HIV And AIDS	434 634			12 539			12 539	447 173
Total for programme	937 867	(3 760)		11 132			7 372	945 239
Economic classification	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
R thousand		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
Current payments	125 666	(3 760)		7 639			3 879	129 545
Compensation of employees	70 859	(3 760)					(3 760)	67 099
Salaries & wages	57 083	(2 100)					(2 100)	54 983
Social contribution	13 776	(1 660)					(1 660)	12 116
Goods and services	54 807			7 639			7 639	62 446
Transfers and subsidies	808 355			4 030			4 030	812 385
Non-profit institutions	807 542			4 030			4 030	811 572
Households	813							813
Payments for capital assets	3 846			(537)			(537)	3 309
Buildings and other fixed structures	3 846			(892)			(892)	2 954
Machinery and equipment				355			355	355
Payments for financial assets								
Thefts & Losses								
Total economic classification	937 867	(3 760)		11 132			7 372	945 239

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

Economic classification	Motivation	From	Motivation	To
Current payments		(5 927)		13 566
Compensation of employees	Funds are shifted to align compensation of employees' budget to expenditure.	(70)	Shifting of funds is done to align compensation of employees' budget to expenditure.	70
Goods and services	Savings realised on items such as catering, venues and transport hire for public events due to lockdown restrictions. Funds allocated for annual Golden Games for older persons are also reprioritised as the event will not take place due to lockdown restrictions.	(5 857)	Fund shifts to cover awareness campaigns to promote departmental programmes and shortfall on municipal services and for the procurement of PPEs at residential facilities. Budget for maintenance is also increased to cover renovations of residential facilities.	13 496
Transfers and subsidies		(8 439)		12 469
Non-profit institutions	Newly approved programmes for both older persons and persons with disabilities will not be implemented during the first two quarters due to COVID-19 lockdown regulations and the unspent funds are reprioritised.	(8 439)	Funds shift to correct HIV Prevention Programme initially allocated under the Victim Empowerment programme. Funds shift to also augment EPWP allocation to ensure the implementation of the APP targets.	12 469
Households				
Payments for capital assets		(1 043)		506
Buildings and other fixed structures	Budget for the refurbishment and upgrading of institutions is reprioritised.	(1 043)	Funds shift towards the upgrading of the Mohlakeng residential facility.	151
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.	355
Payments for financial assets				
Total economic classification		(15 409)		26 541

Virements and shifts

The programme budget increases from R937.8 million to R945.2 million due to virements from other programmes.

Funds are also shifted within compensation of employees to ensure alignment of personnel budget with the expenditure at programme level. The goods and services budget increases from R54.8 million to R62.4 million mainly due to the procurement of PPE for residential facilities and for home-based care for older persons and persons with disabilities. The budget allocated to maintenance is also increased to renovate residential facilities.

The increase in non-profit institutions of R4 million is due to the correct allocation of the budget for the implementation of HIV Prevention Programme which was initially allocated to Victim Empowerment sub-programme. Funds are also shifted from non-profit institutions as the newly approved and existing programmes for older persons and persons with disabilities was not implemented in the first two quarters due to the COVID-19 lockdown regulations. Funds are directed to areas where there is spending pressures and to achieve the set targets on the annual performance plan. The reprioritisation of R892 000 from buildings and other fixed structures is due to the disruption in the implementation of upgrading and refurbishing projects as a result of the COVID-19 pandemic. Funds are also reprioritised to upgrade the Mohlakeng Residential facility.

Function Shifts, Surrenders and Suspensions

A total amount of R3.7 million is surrendered from the programme's compensation of employees' budget in order to implement government's initiative to contain the growth in the public sector wage bill within affordable levels.

Programme 3: Children and Families

TABLE 6.6: PROGRAMME 3: CHILDREN AND FAMILIES

Sub-programmes	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		
R thousand								
1. Management And Support	11 648	(1 100)		43			(1 057)	10 591
2. Care And Services To Families	243 351	(400)		(162)			(562)	242 789
3. Child Care And Protection	831 491	(17 000)		1 615			(15 385)	816 106
4. ECD And Partial Care	593 293			(21 359)	77 763		56 404	649 697
5. Child And Youth Care Centres	706 429	(35 340)		(9 775)			(45 115)	661 314
6. Community-Based Care Services For Children	193 197			23 762			23 762	216 959
Total for programme	2 579 409	(53 840)		(5 876)	77 763		18 047	2 597 456

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
R thousand							
Current payments	1 487 714	(53 840)		7 433		(46 407)	1 441 307
Compensation of employees	1 120 377	(53 840)				(53 840)	1 066 537
Salaries & wages	964 558	(49 640)		(5 297)		(54 937)	909 621
Social contribution	155 819	(4 200)		5 297		1 097	156 916
Goods and services	367 337			7 433		7 433	374 770
Transfers and subsidies	1 025 225			(5 602)	77 763	72 161	1 097 386
Provinces and municipalities							
Non-profit institutions	1 024 072			(5 616)	77 763	72 147	1 096 219
Households	1 153			14		14	1 167
Payments for capital assets	66 470			(7 707)		(7 707)	58 763
Buildings and other fixed structures	65 575			(8 487)		(8 487)	57 088
Machinery and equipment	895			780		780	1 675
Payments for financial assets							
Thefts & Losses							
Total economic classification	2 579 409	(53 840)		(5 876)	77 763	18 047	2 597 456

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

Economic classification	Motivation	From	Motivation	To
Current payments		(178 409)		185 842
Compensation of employees	Funds shifts to align compensation of employee' budget to expenditure.	(5 489)	Funds shifts to align compensation of employees' budget to expenditure.	5 489
Goods and services	Reclassification of school uniform budget to the correct item and funds to purchase grocery for beneficiaries is reprioritised as the kitchen is outsourced and one of the institutions is closed. Saving is also realised on training.	(172 920)	Funds to cover the procurement of PPEs at ECD centres as per the support packages necessary to enhance basic health and hygiene practices. Reclassification of school uniform budget and funds shift to cover outsourced and municipal services at departmental institutions.	180 353
Transfers and subsidies		(36 378)		30 776
Non-profit institutions	Funding of new ECD programmes was affected by the COVID-19 pandemic and some of the Tshwane ECD centres could not be funded due to changes in the by-laws by the City of Tshwane.	(36 378)	Funds shift to cover stipend payment for Child and Youth Care Workers and ECD mobile services programme.	30 762
Households			Fund shift to cover pocket money for beneficiaries at institutions.	14
Payments for capital assets		(14 757)		7 050
Buildings and other fixed structures	Budget for the construction of ECD centres and the upgrading of CYCCs is shifted as implementation of these projects was disrupted by the COVID-19 pandemic.	(14 757)	Fund shift to cover refurbishment of buildings at the institutions and regions.	6 270
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.	780
Payments for financial assets				
Total economic classification		(229 544)		223 668

The budget of the programme is adjusted upward by a net amount of R18 million to an adjusted appropriation of R2.6 billion.

Virements and Shifts

The budget for compensation of employees' is shifted to align the personnel budget with the expenditure at sub-programme level.

The goods and services' budget increase by R7.4 million for the procurement of PPE in line with support packages necessary to address basic health and hygiene practices in ECD centres. Funds are also reprioritised within the programme to make provision for the revised rates on outsourced services and municipal services at departmental institutions.

Funds are reprioritised from the Early Childhood Development (ECD) sub-programme to the Community-Based Care Services for Children sub-programme for the payment of stipends to child and youth care workers.

The budget for the construction of ECD centres and the upgrading of child and youth care centres is reprioritised as the implementation of these projects was disrupted by the COVID-19 pandemic. The affected projects include the Walter Sisulu CYCC Demolition, the construction of Bantubonke ECD, the Khutsong Social Integrated Facility and the upgrading of office accommodation at the Garankuwa Rearabilwe CYCC.

The programme receives an amount of R780 000 allocated to machinery and equipment to offset expenditure incurred on the procurement of assets.

Function Shifts, Surrenders and Suspensions

The compensation of employees' budget is reduced by R53.8 million in order to implement government's initiative to contain the growth of the public sector wage bill within affordable levels.

Additional Funding: National: R77.7 million

An additional R77.7 million is allocated to the programme specifically to the subsidy component ECD Grant. The additional allocation will be used for income relief for ECD practitioners, social workers and support staff employed as part of the employment risk support in both registered and unregistered ECD centres. The funds will also be used to top-up the salaries of employees at ECD facilities for additional duties of compliance support.

Programme 4: Restorative Services

TABLE 6.8: PROGRAMME 4: RESTORATIVE SERVICES

Sub-programmes	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		
R thousand								
1. Management And Support	1 504			443			443	1 947
2. Crime Prevention And Support	183 503	(18 400)		(6 634)			(25 034)	158 469
3. Victim Empowerment	141 463	(4 524)		6 781			2 257	143 720
4. Substance Abuse, Prevention And Rehabilitation	419 547	(4 000)		(102)			(4 102)	415 445
Total for programme	746 017	(26 924)		488			(26 436)	719 581

Economic classification	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		
R thousand								
Current payments	283 831	(26 924)		2 794			(24 130)	259 701
Compensation of employees	147 042	(26 924)					(26 924)	120 118
Salaries & wages	122 405	(24 224)		509			(23 715)	98 690
Social contribution	24 637	(2 700)		(509)			(3 209)	21 428
Goods and services	136 789			2 794			2 794	139 583
Transfers and subsidies	440 774			4 472			4 472	445 246
Non-profit institutions	440 590			4 486			4 486	445 076
Households	184			(14)			(14)	170
Payments for capital assets	21 412			(6 778)			(6 778)	14 634
Buildings and other fixed structures	21 412			(6 809)			(6 809)	14 603
Machinery and equipment				31			31	31
Payments for financial assets								
Thefts & Losses								
Total economic classification	746 017	(26 924)		488			(26 436)	719 581

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

Economic classification	Motivation	From	Motivation	To
Current payments		(14 819)		17 613
Compensation of employees	Funds shifts to align compensation of employees' budget to expenditure.	(577)	Funds shifts to align compensation of employees' budget to expenditure.	577
Goods and services	Savings realised on newspaper advertisements and after detailed costing of outsourced services was conducted.	(14 242)	Funds are shifted to the new innovative intervention to reach beneficiaries through print and electronic media due to restrictions on gatherings. Funds shift to also cover revised rates of outsourced services at the departmental institutions.	17 036
Transfers and subsidies		(45 572)		50 044
Non-profit institutions	Budget for Sedibeng Treatment Centre and Diversion programme is reprioritised as it will not be spent in full. Funds shift to also correct the HIV and AIDS Prevention Programme which was initially allocated to the Victim Empowerment sub-programme.	(45 558)	Funds shift to augment Ke-Moja programme and prevention programmes and in-patient centres.	50 044
Households	Saving realised on pocket money allocation.	(14)		
Payments for capital assets		(7 835)		1 057
Buildings and other fixed structures	Budget for the construction of Ratanda shelter, Soshanguve and Rehab Centre is reprioritised. Implementation of these projects was disrupted by the COVID-19 pandemic.	(7 835)	Funds shift to cover the upgrades at Soshanguve Secure Care Centre.	1 026
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.	31
Payments for financial assets				
Total economic classification		(68 226)		68 714

The total budget of the programme is adjusted downward from R746 million to R719.6 million due to budget cuts on compensation of employees.

Virements and shifts

The programme's compensation of employees' budget is shifted to align the budget with the expenditure which is in line with the warm bodies and the post filling plan.

The shifting of budget within goods and services in this programme is informed by the new innovative intervention to reach beneficiaries through print and electronic media due to restrictions on gatherings. These funds are reprioritised from items such as catering, venues, transport hire and travel. Funds are also reprioritised from budget allocated to train staff and to fund non-profit organisations focussing on LGBTQI and human trafficking.

Funds are also reprioritised within non-profit institutions from programmes with slow spending to areas of spending pressures. Transfers to NPIs is the redirection of funds allocated to the Sedibeng Substance Abuse Treatment Centre to the Ke-Moja drug prevention programme, out-patient treatment services and substance abuse treatment programmes. Funds are also reprioritised to fund GBV programmes within the Victim Empowerment sub-programme.

An amount of R31 000 is shifted to machinery and equipment to offset expenditure incurred on the procurement of assets in this programme. The budget for the procurement of assets is centralised in Programme1: Administration as a cost control measure.

The budget allocated to buildings and other fixed structures is reduced by R6.8 million as the implementation of capital projects was disrupted by lockdown restrictions due to the COVID-19 pandemic. The affected projects includes the construction of Ratanda shelter, Soshanguve and Tembisa Rehabilitation centres. Funds are also reprioritised to upgrade the Soshanguve Secure Care Centre.

Function Shifts, Surrenders and Suspensions

The compensation of employees' budget is reduced by R26.9 million in order to implement the government initiative to contain the growth of public wage bill within affordable levels.

Programme 5: Development and Research

TABLE 6.10: PROGRAMME 5: DEVELOPMENT AND RESEARCH

Sub-programmes	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		
R thousand								
1. Management And Support	6 197			75			75	6 272
2. Community Mobilisation	15 074			(718)			(718)	14 356
3. Institutional Capacity And Support For NPOs	214 997	(20 000)		(4 202)			(24 202)	190 795
4. Poverty Alleviation And Sustainable Livelihoods	558 256			(19 246)	104 216		84 970	643 226
5. Community Based Research And Planning	6 116			975			975	7 091
6. Youth Development	20 530			(4 758)			(4 758)	15 772
7. Woman Development	6 903			3 000			3 000	9 903
8. Population Policy Promotion	4 543			1 271			1 271	5 814
Total for programme	832 616	(20 000)		(23 603)	104 216		60 613	893 229
Economic classification	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
R thousand		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
Current payments	635 717	(20 000)		(28 812)	87 541		38 729	674 446
Compensation of employees	287 247	(20 000)					(20 000)	267 247
Salaries & wages	241 183	(17 085)		(2 713)			(19 798)	221 385
Social contribution	46 064	(2 915)		2 713			(202)	45 862
Goods and services	348 470			(28 812)	87 541		58 729	407 199
Transfers and subsidies	196 899			5 000	16 675		21 675	218 574
Non-profit institutions	196 610			5 000	16 675		21 675	218 285
Households	289							289
Payments for capital assets				209			209	209
Machinery and equipment				104			104	104
Software and other intangible assets				105			105	105
Payments for financial assets								
Thefts & Losses								
Total economic classification	832 616	(20 000)		(23 603)	104 216		60 613	893 229

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

Economic classification	Motivation	From	Motivation	To
Current payments		(40 018)		11 206
Compensation of employees	Funds shifts to align compensation of employees' budget to expenditure.	(8 063)	Funds shifts to align compensation of employees' budget to expenditure.	8 063
Goods and services	Funds reprioritised to GBV programmes and the procurement of PPEs and COVID-19 essentials for the residential facilities for older persons, persons with disabilities and ECD centres.	(31 955)	Funds shift to cover anticipated expenditure for Boy Child training, shortfall on cell phones and advertisements.	3 143
Transfers and subsidies		(20 142)		25 142
Departmental agencies and accounts				
Non-profit institutions	Fund shift to correct food banks allocation within Poverty Alleviation sub-programme and funds also reprioritised from youth development programme.	(20 142)	Funds shifts to augment the implementation of the comprehensive youth programmes and to correct food banks allocation within Poverty Alleviation sub-programme.	25 142
Payments for capital assets				209
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.	104
Software and other intangible assets			Funds shift to cover procurement of research software.	105
Payments for financial assets				
Total economic classification		(60 160)		36 557

The total budget of the programme increases by a net amount of R60.6 million due to budget cuts, virements to other programmes and additional funding from the national.

Virements and Shifts

This programme shifts funds within compensation of employees to align the personnel budget with the expenditure.

An amount of R28.8 million is reprioritised from the goods and services' to fund COVID-19 related expenditure in other programmes. Funds are also reprioritised to fund awareness campaigns through community radio stations and the printing of pamphlets to promote departmental programmes.

An amount of R5 million shifts to transfers to non-profit institutions to strengthen women development programmes and to continue to implement comprehensive youth development programmes.

The programme receives an amount of R104 000 to offset expenditure incurred on the procurement of assets since the budget for the procurement of assets is centralised in Programme 1: Administration as a cost control measure. An amount of R105 000 is allocated to software and other intangible assets for the procurement of Atlantis software for research purposes.

Function Shifts, Surrenders and Suspensions

The compensation of employees' budget in the programme is revised downward by R20 million in order to implement the government' initiative to contain the growth of public wage bill within affordable levels.

Additional Funding: National: R104.2 million

An additional R104.2 million is allocated for the food relief programme in response to the COVID-19 pandemic. Of this amount, R16.7 million is for the food distribution centres and R87.5 million is for the procurement and distribution of food parcels. The food relief programme will be concentrated in areas with a high prevalence of hunger.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 6.12: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21: SOCIAL DEVELOPMENT

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 - Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		% change 19/20 - 20/21 Apr-Sept
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Apr 2020 - Sept 2020				
R thousand							
1. Administration	717 248	301 244	683 354	95%	731 844	317 298	5%
2. Social Welfare Services	919 020	416 508	913 787	99%	945 239	425 554	2%
3. Children and Families	2 365 994	1 010 831	2 176 819	92%	2 597 456	1 017 042	1%
4. Restorative Services	727 477	308 480	696 750	96%	719 581	310 076	1%
5. Development And Research	713 212	242 587	570 292	80%	893 229	447 240	84%
Total for programmes	5 442 951	2 279 650	5 041 002	93%	5 887 349	2 517 210	10%

Department	2019/20				2020/21		
	Expenditure Outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
Current payments	3 008 741	1 216 616	2 583 405	86%	3 213 209	1 410 789	16%
Compensation of employees	1 805 245	844 529	1 745 425	97%	1 863 866	870 671	3%
Goods and Services	1 203 496	372 087	837 980	70%	1 349 343	540 118	45%
Transfers and subsidies	2 289 328	1 016 428	2 245 795	98%	2 579 235	1 083 461	(51)%
Departmental agencies and accounts	68	68	68	100%	94	64	(6)%
Non-profit institutions	2 277 987	1 009 906	2 229 300	98%	2 571 152	1 080 278	7%
Households	11 273	6 454	16 427	146%	7 989	3 119	(52)%
Payments for capital assets	144 731	46 466	205 319	142%	94 905	22 960	(51)%
Buildings and other fixed structures	114 519	33 305	117 295	102%	74 645	18 899	(43)%
Machinery and equipment	24 651	12 800	87 293	354%	20 102	4 061	(68)%
Software and other intangible assets	5 561	361	731		158		
Payments for financial assets	151	140	6 483	4293%			(100)%
Total economic classification	5 442 951	2 279 650	5 041 002	93%	5 887 349	2 517 210	10%

Expenditure trends for 2019/20

The department spent 93 per cent of the allocated budget in the 2019/20 financial year and the following are reasons for the under expenditure per programme:

Programme 1: Administration

The programme underspent due to delays experienced in the filling of vacant posts and the delayed implementation of the SAP system upgrade project which only commenced in the second quarter of the financial year. Furthermore, the late finalisation of RT57 contract by National Treasury also resulted in the under expenditure of the allocated budget due to non-payment of the lease for g-Fleet vehicles.

Programme 2: Social Welfare Services

The underspending in this programme is mainly attributable to delays in the filling of vacant posts and less expenditure incurred on outsourced services. Funds allocated to procure tools of trade for the coordinators of the Expanded Public Works Programme (EPWP) was also not spent in full.

Programme 3: Children and Families

The programme underspent due to the delayed finalisation of supply chain management processes to appoint cooperatives to manufacture school uniform. The process to appoint cooperatives was finalised in the fourth quarter of the financial year. Transfer payments within the Sub-programme: Community-Based Care Services for children were not spent in full by the end of the financial year. The programme also underspent the ECD conditional grant allocation due to the reduction of beneficiaries by municipalities and delays in the appointment of officials to administer the grant.

Programme 4: Restorative Services

The programme budget was underspent due to delays in the filling of vacant posts and the earmarked allocation for Sedibeng and Randfontein Treatment Centres were not spent in full by the end of the financial year.

Programme 5: Development and Research

The underspending in this programme is mainly attributable to delays in the filling of vacant posts. The budget for food parcels and Dignity Packs was not spent in full as the supply chain management processes were finalised in the second and third quarter of the financial year. The expenditure of the programme was also affected by the less transfer payments to NPOs.

Preliminary expenditure trends for the first half of 2020/21

The department spent R2.5 billion in the second quarter of the 2020/21 financial year as compared to R2.2 billion in the second quarter of the 2019/20 financial year. The growth in expenditure is due to an increased distribution of food parcels to vulnerable communities and the funding of shelters for the homeless during national lockdown. The number of staff appointed in 2020/21 financial year increased as compared to 2019/20 financial year and this contributed to the increase in expenditure incurred on compensation of employees.

Programme 1: Administration

The programme spent R317 million in the second quarter of the financial year compared to R307 million in the same period of the previous financial year. The high expenditure is due to implementation of SAP 7 CRM upgrade and the increased cost

of outsourced services at the regions. The procurement of PPE due to COVID-19 for staff also contributed to an increased expenditure in the programme.

Programme 2: Social Welfare Services

The programme percentage spent increased by 2 percent in the 2020/21 financial year. The increase is due to the funding of additional organisations for community home-based and drop-in centres. The monthly rates for non-profit institutions in this programme were also increased.

Programme 3: Children and Families

The expenditure in this programme increases by one percent in the second quarter of the 2020/21 financial year as compared to the same period in the previous financial year. This increase is due to the appointment of additional personnel and the outsourcing of catering services to beneficiaries at institutions. Funding of shelters for the homeless also increased spending in this programme.

Programme 4: Restorative Services

The programme spent R710 million in the second quarter of the financial year compared to R708 million spent in the same period in the previous financial year. The increase in expenditure is as a result of the increase in substance abuse treatment provided at the shelters for the homeless. The expenditure within the Victim Empowerment sub-programme increased due to the implementation of GBV programmes.

Programme 5: Development and Research

The expenditure in this programme increased by 84 percent in the second quarter of the 2020/21 financial year in comparison with the 2019/20 financial year. The relatively higher expenditure is mainly attributable to the increase in the distribution of food parcels to vulnerable communities as a result of the national lockdown.

4. Departmental Receipts

TABLE 6.13: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Preliminary Receipts	
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Apr 2020 - Sept 2020			% change 19/20 - 20/21 Apr-Sept	
R thousand							
Sales of goods and services other than capital assets	2 956	1 484	3 031	2.5%	3 118	1 544	4.0%
Transfers received							
Fines, penalties and forfeits		2	2	0.0%		1	(50.0)%
Interest, dividends and rent on land	29	15	31	6.9%	31	7	(53.3)%
Sales of capital assets							
Financial transactions in assets and liabilities	6 560	5 998	13 546	106.5%	650	776	(87.1)%
Total receipts	9 545	7 499	16 610	74.0%	3 799	2 328	(69.0)%

Revenue trends for the first half of the 2020/21 financial year

The table above shows the contribution of each revenue source towards the total revenue generated at the end of the second quarter of the 2020/21 financial year. The revenue estimates have decreased from R9.5 million in the previous financial year to R3.8 million in the current financial year. The reason for the significant decrease in the revenue estimates is due to less recoveries of unspent funds from the NPOs in the current financial year. In the 2019/20 financial year, the revenue estimates were adjusted to be in line with the actual receipt of revenue.

The amount of revenue collected as at the end of September 2020 is R2.3 million which represents a significant decrease of 69 per cent when compared with the amount collected in the same period in the 2019/20 financial year.

The amount collected for the sales of goods and services is R1.5 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 R776 000 to the revenue collected as at the end of September 2020, and this is due to recoveries of unspent funds from non-profit organisations.

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

5.1 Changes in transfers and subsidies

TABLE 6.14: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

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		
Administration	6 144			(500)		(500)	5 644
Departmental agencies and accounts	94						94
Households	6 050			(500)		(500)	5 550
Social Welfare Services	808 355			4 030		4 030	812 385
Non-profit institutions	807 542			4 030		4 030	811 572
Households	813						813
Children And Families	1 025 225			(5 602)	77 763	72 161	1 097 386
Non-profit institutions	1 024 072			(5 616)	77 763	72 147	1 096 219
Households	1 153			14		14	1 167
Restorative Services	440 774			4 472		4 472	445 246
Non-profit institutions	440 590			4 486		4 486	445 076
Households	184			(14)		(14)	170
Development And Research	196 899			5 000	16 675	21 675	218 574
Non-profit institutions	196 610			5 000	16 675	21 675	218 285
Households	289						289
Total changes in transfers and subsidies payments	2 477 397			7 400	94 438	101 838	2 579 235

Virements and shifts

An amount of R500 000 is reprioritised from households in Programme 1: Administration as the learnership intake is postponed to the first quarter of the next financial year due to the impact of the COVID-19 pandemic on the current academic year.

Funds are shifted within non-profit institutions mainly to reallocate budget from slow spending programmes to areas experiencing spending pressures.

Transfers to NPOs increase by R4 million in Programme 2: Social Welfare Services to augment the EPWP and cover the estimated shortfall to ensure the achievement of targets in the annual performance plan.

An amount of R5.6 million is reprioritised from NPOs in the Children and Families programme as the department struggles to attract registered NPOs which have appropriate infrastructure that comply with norms and standards to provide CYCC services. Several interventions are implemented by the department to assist some of the non-complying NPOs to comply with norms and standards in order to qualify for funding.

Transfers to NPOs increases by R4.4 million in Programme 4: Restorative Services due to the allocation of funds to the Victim Empowerment programme to address the spending pressures on GBV.

Transfers to NPOs in Programme 5: Development and Research is increased by R5 million to strengthen women development programmes and to continue with the implementation of comprehensive youth development programmes.

Additional Funding: National: R94.4 million

An amount of R77.7 million and R16.6 million is allocated to Programme 3: Children and Families and Programme 5: Development and Research respectively. The additional funds are allocated to support the employment of ECD practitioners, social workers and support staff employed at ECD centres and to subsidise the food relief programme at food distribution centres.

5.2 Changes in Conditional Grants

TABLE 6.15: 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		
Social Welfare Services	21 157							21 157
Social Sector EPWP Incentive Grant	21 157							21 157
Children And Families	135 229				77 763		77 763	212 992
Early Childhood Development Grant	135 229				77 763		77 763	212 992
Total changes in conditional grants	156 386				77 763		77 763	234 149

An additional R77.7 million is allocated to the subsidy component of the ECD Grant. The additional funds will be used for employment risk support for ECD practitioners, social workers and support staff employed at ECD centres as part of Presidential Employment Intervention. These funds will be disbursed through transfers to non-profit organisations.

5.3 Changes in Infrastructure

Refer to 2020 Adjusted Estimates of Capital Expenditure (AECE)

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

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	634 793	611 972	(22 821)	
Current payments	601 879	565 358	(36 521)	
Transfers and subsidies	23 200	28 800		5 600
Payments for capital assets	9 714	17 814		8 100
Payment for financial assets				
Executive authority	MEC for Cooperative Governance and Traditional Affairs			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 7.1: DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R Thousand	Main Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: Provincial	Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
1. Administration	170 364	(3 982)		10 600			6 618	176 982
2. Local Governance	296 495	(12 250)		(18 053)			(30 303)	266 192
3. Development and Planning	145 564	(5 100)		11 553			6 453	152 017
4. Traditional Institutional Development	22 370	(1 489)		(4 100)			(5 589)	16 781
Total for Programmes	634 793	(22 821)					(22 821)	611 972
R Thousand	Main Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: Provincial	Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
Current payments	601 879	(22 821)		(13 700)			(36 521)	565 358
Compensation of employees	384 070	(22 999)		(9 000)			(31 999)	352 071
Salaries & wages	330 214	(20 844)		(7 250)			(28 094)	302 120
Social contribution	53 856	(2 155)		(1 750)			(3 905)	49 951
Goods and services	217 809	178		(4 700)			(4 522)	213 287
Transfers and subsidies	23 200			5 600			5 600	28 800
Provinces and municipalities	22 000			4 300			4 300	26 300
Households	1 200			1 300			1 300	2 500
Payments for capital assets	9 714			8 100			8 100	17 814
Machinery and equipment	9 714			8 100			8 100	17 814
Payments for financial assets								
Total economic classification	634 793	(22 821)					(22 821)	611 972

The 2020/21 Special Adjusted Appropriation is adjusted downwards by R22.8 million to an amount of R611.9 million and comprises of R609.9 million equitable share and R2 million for conditional grant earmarked for the Expanded Public Works Programme (EPWP) to contribute to job creation across all municipalities in the province. The budget reduction is applied on compensation of employees in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels.

The reprioritisation of funds is made within the department's programmes which increases the budget for transfers and subsidies and CAPEX, then decreases goods and services and compensation of employees. The shifts from compensation of employee amounts to R9 million and is due to delays in filling of vacant posts in the department as a result of delays experienced to secure the permanent office space building in 30 Simmonds street. An amount of R8.1 million is redirected from goods and services to CAPEX to make provision for departmental ICT upgrade and procurement of tools of trade for officials to increase capacity for official working from home and in some instances is due to the warranty for the current laptops and desktops ended.

The allocation for transfers to Municipalities is adjusted upwards by R4.3 million to an adjusted appropriation of R26.3 million, for the provision of financial assistance to improve fire and rescue services response capabilities in Emfuleni LM and Midvaal LM in line with Fire Brigade Services Act 99 of 1987 and the South African National Standard on community protection against fire code SANS:10090.

Households budget increases by R1.3 million mainly for the provision for payment of outstanding gratuities to the former MECs. The department identified savings mainly within non-core items, operational items and the scaled down programs/activities as a result of procurement processes being drastically delayed by the effects of the National lockdown since government introduced national measures to slow the speed of COVID-19 transmission. The department reprioritised funds from those affected slow spending items towards the areas with budget pressure.

Unutilised funds are reallocated towards other departmental priorities within the departmental baseline as a result of slow progress in finalizing some of the projects. The department experienced delays mainly in the implementation of some municipal finance support, municipal institutional support and development planning projects due to procurement processes being delayed by effects of lockdown. Hence, a virements amounting to R11.6 million is made to Programme 3: Development and Planning from other Programmes for the procurement of Agency functions such as: appointment of multi-disciplinary experts for project management of Integrated Gauteng Provincial Disaster Management Centre (IPDMC); OHS services; PMO capacity; and sectoral services; and for Planning Phase of construction of IPDMC.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 7.2: PROGRAMME 1: ADMINISTRATION

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		
Office of the Mec	4 799	(350)					(350)	4 449
Corporate Services	165 565	(3 988)		10 600			6 968	172 533
Total for Programmes	170 364	(4 338)		10 600			6 618	176 982
Economic classification	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		
Current payments	162 998	(4 338)		1 200			(2 782)	160 216
Compensation of employees	97 567	(4 160)		(2 500)			(6 660)	90 907
Salaries & wages	85 739	(3 910)		(2 100)			(6 010)	79 729
Social contribution	11 828	(250)		(400)			(650)	11 178
Goods and services	65 431	178		3 700			3 878	69 309
Transfers and subsidies	1 200			1 300			1 300	2 500
Provinces and municipalities								
Households	1 200			1 300			1 300	2 500
Payments for capital assets	6 166			8 100			8 100	14 266
Machinery and equipment	6 166			8 100			8 100	14 266
Payments for financial assets								
Thefts & Losses								
Total economic classification	170 364	(4 338)		10 600			6 618	176 982

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

Economic classification	Motivation	From	Motivation	To
Current payments		(8 733)		9 933
Compensation of employees	Delays in filling of vacant posts.	(2 500)		
Goods and services	Saving on bank charges and registration fees for seminars / conference; advertisement of posts and departmental promotional branding; purchases of minor assets due to delays to relocate; municipal, security and cleaning services; minimal number of cases requiring legal services; deferred training; meetings held remotely; less travelling and venue requirements due to the COVID-19 pandemic.	(6 233)	Funds are made available for the remuneration of members of and transcribing services for Committee of inquiry into local government; bursary in-take by employees; appointed Probity Auditors; procurement of tools of trade for officials and for municipal support on Forensic Review; and Investigation of the 10 top contracts across regions.	9 933
Transfers and subsidies				1 300
Households			Payment of outstanding gratuities to former MECs.	1 300
Payments for capital assets				8 100
Machinery and equipment			Provision for the departmental ICT upgrade and procurement of tools of trade for officials.	8 100
Total economic classification		(8 733)		19 333

Virements and shifts

Shifts within the programme amounts to R6.2 million and is to make funds available for the following areas: bursary funding due to increase number of bursary awarded to officials in the department; moving of assets from temporary office buildings to 30 Simmonds street; provision for payment of newly appointed probity auditors; remuneration of members and transcribing services for Committee of inquiry into local government; and procurement of Personal Protective Equipment (PPE) in response to the Covid-19 pandemic. Included in the funds shift, is an amount of R1.3 million reallocated from goods and services to households mainly to make provision for payment of outstanding gratuities to the former MECs.

Through virement, an amount of R2.5 million is redirected from compensation of employees in the programme to goods and services in Programme 3: Development and Planning, due to delays in filling of vacant positions in the department as a result of delays experienced to secure the permanent office space building in 30 Simmonds street. An amount of R13.1 million is shifted from goods and services in Programme 2: Local Governance to Programme 1: Administration, comprises of R5 million to goods and service for municipal support on forensic review and investigation of the 10 top contracts across regions as directed, and R8.1 million to CAPEX for the departmental ICT upgrade and procurement of tools of trade for officials.

Surrenders: R4.2 million

An amount of R4.2 million is reduced from compensation of employees in Programme 1: Administration in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels.

Function shift: R178 000

An additional amount of R178 000 is allocated in Programme 1: Administration for provision of payment of newly appointed probity auditors for open tender processes.

Programme 2: Local Governance

TABLE 7.4: PROGRAMME 2: LOCAL GOVERNANCE

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		
Municipal Administration	17 293	(800)		(1 500)		(2 300)	14 993
Municipal Finance	22 298	(250)		(7 338)		(7 588)	14 710
Public Participation	206 063	(10 100)		(4 720)		(14 820)	191 243
Capacity Development	33 637	(400)		(4 495)		(4 895)	28 742
Municipal Performance Monitoring, Reporting And Evaluation	17 204	(700)				(700)	16 504
Total for Programmes	296 495	(12 250)		(18 053)		(30 303)	266 192

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

Economic classification	Motivation	From	Motivation	To
Current payments		(23 358)		5 305
Compensation of employees				
Goods and services	Savings identified from scaled down municipal finance support and municipal institutional support activities such as large power and water users billing data audit; support on simplified revenue plans; multi-disciplinary expert teams; organizational development; and design experts due to the COVID-19 pandemic.	(23 358)	Provision for payment of administrators at City of Tshwane Metro and Emfuleni local municipality.	5 305
Interest and rent on land				
Transfers and subsidies				
Payments for capital assets				
Total economic classification		(23 358)		5 305

Virements and shifts

Through a virement, the programme is adjusted downwards by R18.1 million as a result of virements to Programme 1: Administration mainly to cater for ICT upgrade and procurement of tools of trade and for municipal support on forensic review and investigation of the 10 top contracts across regions as directed, and to Programme 3: Development and Planning for planning phase of construction of the IPDMC. This saving is identified mainly from operational items and the scaled down programs / activities as a result of procurement processes being drastically delayed by the effects of the national lockdown. The scaled down projects includes municipal finance support and municipal institutional support activities such as large power and water users billing data audit, support on simplified revenue plans, multi-disciplinary expert teams, and organizational development and design experts.

Through shifts, an amount of R5 million is redirected within the programme to provide for payment of appointed administrators at City of Tshwane Metro and Emfuleni Local Municipality after being placed under administration.

Surrender: R12.2 million

An amount of R12.2 million is reduced from compensation of employees in Programme 2: Local Governance in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels.

Programme 3: Development Planning

TABLE 7.6: PROGRAMME 3: DEVELOPMENT PLANNING

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		
IDP Coordination	24 649	(1 360)		(5 070)			(6 430)	18 219
Disaster Management	84 140	(2 140)		22 547			20 407	104 547
Municipal Infrastructure	24 003	(1 400)		(2 224)			(3 624)	20 379
Total for Programmes	145 564	(5 100)		11 553			6 453	152 017

Economic classification	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		
Current payments		120 016	(5 100)		7 253			2 153	122 169
Compensation of employees		63 301	(5 100)		(4 700)			(9 800)	53 501
Salaries & wages		55 838	(4 640)		(4 250)			(8 890)	46 948
Social contribution		7 463	(460)		(450)			(910)	6 553
Goods and services		56 715			11 953			11 953	68 668
Transfers and subsidies		22 000			4 300			4 300	26 300
Provinces and municipalities		22 000			4 300			4 300	26 300
Payments for capital assets		3 548							3 548
Machinery and equipment		3 548							3 548
Payments for financial assets									
Total economic classification		145 564	(5 100)		11 553			6 453	152 017

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

PROGRAMME				
Economic classification	Motivation	From	Motivation	To
Current payments		(15 533)		22 786
Compensation of employees	Delays in filling of vacant posts.	(4 700)		
Goods and services	Saving due to scaled down activities such as review of draft Gauteng Spatial Development Framework; state of energy outlook study; and Land Use Audit conducted for local municipalities due to the COVID-19 pandemic.	(10 833)	Funds are made available to supplement the budget for property payments i.e. municipal, cleaning, gardening and security services; appointment of multi-disciplinary experts for project management of Integrated Gauteng Provincial Disaster Management Centre (IPDMC); planning phase of the construction of IPDMC; and payment of accruals for SITA Information Communication Technology (ICT) Turnek Solution.	22 786
Interest and rent on land				
Transfers and subsidies				4 300
Provinces and municipalities			Funding made available for the improved response capabilities for fire and rescue services in Midvaal LM and Emfuleni LM.	4 300
Payments for capital assets				
Total economic classification		(15 533)		27 086

Virements and shifts

Through virements, the programme is adjusted upwards by R11.6 million mainly as a result of virements from other Programmes which comprises of R4.3 million for the procurement of agency functions such as: appointment of multi-disciplinary experts for project management of Integrated Gauteng Provincial Disaster Management Centre (IPDMC); OHS services; PMO capacity; and sectoral services; and R7.3 million for the planning phase of construction of IPDMC.

Through shifts, funds amounting to R4.7 million are shifted from compensation of employees to goods and services to top up for the procurement of those agency functions. An amount of R4.3 million is redirected from goods and services to transfers and subsidies within the programme, for the provision of financial assistance to the Emfuleni Local Municipality and Midvaal Local municipality to improve fire and rescue services response capabilities in line with Fire Brigade Services Act 99 of 1987 and the South African National Standard on community protection against fire code SANS:10090. Funds are also redirected within goods and services to provide for the payment for SITA Information Communication Technology (ICT) Turnek Solution accrued from last financial year and payment of security and cleaning services at Provincial Disaster Management Centre (PDMC).

Surrender: R5.1 million

An amount of R5.1 million is reduced from compensation of employees in Programme 2: Local Governance in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels.

Programme 4: Traditional Institutional Management

TABLE 7.8: PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

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		
1. Traditional Institutional Administration	10 491	(100)		(2 350)			(2 450)	8 041
2. Traditional Resource Administration	8 738	(979)		(950)			(1 929)	6 809
3. Rural Development Facilitation	500							500
4. Traditional Land Administration	2 641	(410)		(800)			(1 210)	1 431
Total for Programmes	22 370	(1 489)		(4 100)			(5 589)	16 781

Economic classification	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		
Current payments		22 370	(1 489)		(4 100)			(5 589)	16 781
Compensation of employees	15 305		(1 489)		(1 800)			(3 289)	12 016
Salaries & wages	12 966		(1 284)		(900)			(2 184)	10 782
Social contribution	2 339		(205)		(900)			(1 105)	1 234
Goods and services	7 065				(2 300)			(2 300)	4 765
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification		22 370	(1 489)		(4 100)			(5 589)	16 781

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

Economic classification	Motivation	From	Motivation	To
Current payments		(4 359)		259
Compensation of employees	Delays in filling of vacant posts.	(1 800)		
Goods and services	Scaling down on traditional affairs and IGR activities due to the COVID-19 pandemic.	(2 559)	Funds are made available for the commemoration of cultural events	259
Interest and rent on land				
Transfers and subsidies				
Payments for capital assets				
Total economic classification				

Virements and shifts

Through a virement, an amount of R4.1 million is shifted from the programme to Programme 3: Development and Planning, comprises of R1.8 million shifted from compensation of employees mainly due to delays in filling of vacant posts in the department as a result of delays experienced to secure the permanent office space building in 30 Simmonds street; and R2.3 million from goods and services due to saving identified mainly from non-core items and the scaling down of traditional affairs and IGR activities, as a result of procurement processes being drastically by affected National lockdown.

An amount of R259 000 is redirected through shifts, within goods and services to provide for the rental and hiring of VIP dining Marquee for Komjejejeke commemoration event.

Surrender: R1.5 million

An amount of R1.5 million is reduced from compensation of employees in Programme 2: Local Governance in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 7.10: EXPENDITURE 2016/17 AND PRELIMINARY EXPENDITURE 2019/20: COOPERATE GOVERNANCE AND TRADITIONAL AFFAIRS

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
1. Administration	145 792	62 188	127 934	88%	176 982	63 667	2%
2. Local Governance	234 392	113 389	232 077	99%	266 192	104 771	(8)%
3. Development and Planning	164 202	82 552	137 689	84%	152 017	71 361	(14)%
4. Traditional Institutional Development	17 896	7 270	14 792	83%	16 781	5 814	(20)%
Total	562 282	265 399	512 492	91%	611 972	245 613	(7)%
Current payments	467 776	209 411	448 792	96%	565 358	221 505	6%
Compensation of employees	341 648	157 326	343 065	100%	352 071	164 737	5%
Goods and Services	126 128	52 085	105 727	84%	213 287	56 768	9%
Interest and rent on land							
Transfers and subsidies	74 214	54 014	60 778	82%	28 800	22 881	(58)%
Provinces and municipalities	72 004	52 004	58 004	81%	26 300	22 000	(58)%
Households	2 210	2 010	2 774	126%	2 500	881	(56)%
Payments for capital assets	20 292	1 974	2 922	14%	17 814	1 227	(38)%
Machinery and equipment	20 292	1 974	2 922	14%	17 814	1 227	(38)%
Software and other intangible assets							
Payments for financial assets							
Total	562 282	265 399	512 492	91%	611 972	245 613	(7)%

Expenditure trends 2019/20

The department spent R495.8 million or 88 per cent in the 2019/20 financial year against a total budget of R562.3 million. The department under spent by R66.5 million mainly due to the projected R20 million budgeted to support Emfuleni with sewer issues that was deferred. The funds were meant to be transferred to ERWAT to do the repair on the said sewer; however, due to several technicalities, Ekurhuleni Metropolitan Municipality, who is the only shareholder did not accept the funding resulting in no expenditure. Other contributing factors to the under spending includes delays in filling of vacant posts, slow implementation of other projects such as municipal, security, cleaning and maintenance services, partitioning and procurement of office furniture and equipment in the department as a result of delays experienced to secure the permanent office space building in 30 Simmonds street.

Expenditure for the financial year was mainly driven by the following factors: transfers of R45 million to West Rand DM for operational requirements for the disaster management, R7 million for continuous support for municipalities concerning GRAP 17 (Asset management), Performance Management System (PMS) and Expanded Public Works Programme (EPWP), and R6 million to provide support to Lesedi Local Municipality for the procurement of fully equipped medium pumper fire engine. Other contributing factors are payment of voter education registration campaign; disaster management projects, provision of efficient services to traditional leaders and councils, fleet services, Audit and IT license fees, operation clean Audit coordinating committee workshop, and CDW collaborative model workshop. Only critical key personnel posts were filled due to unavailability of office space.

In addition, other expenditure relate to: training and technical support for the design and setup of an asset-based community development initiative in municipalities; women counsellors gender mainstreaming training programme; Ekurhuleni Metro supported to maintain functional disaster management centres and functionality assessment conducted in City of Johannesburg; disaster management awareness campaigns and micro-disaster risk assessments were conducted; the department held Inter-Governmental Relation (IGR) forum with municipalities and relevant stakeholders; and four Statutory IGR Structures to be e functional.

Expenditure trends in the first half of 2020/21

The department spent 40 per cent of the allocated budget during the first half of the financial year, which is 7 per cent less than expenditure at this time of the year in 2019/20 financial year. The department transferred a total amount of R22 million to municipalities, comprising a once-off allocation of R20 million to West Rand District Municipality to provide support for improvement of Fire & Rescue Services response capabilities and R2 million for continuous support for municipalities concerning EPWP. Other expenditure amounting to R16.5 million relate to COVID-19 pandemic, includes the procurement of tents to support the Department of Health with triage facilities at clinics; blankets and mattress to support the Department of Social Development with homeless citizens during the lockdown period; Personal Protective Equipment (PPE); educational materials for Covid-19 awareness; and service providers for disinfection of offices in the departmental buildings.

The expenditure was also driven by the following factors: payment for members of committee of enquiry, and administrators at City of Tshwane Metro and Emfuleni LM; Probity Auditors for the open tender processes; fleet services; Audit and IT license fees; management of Organisational structure and Institutional review process for Emfuleni LM; municipal support with Labour relation specialist; development of High level operational Model and structure for IPDMC Building; rollout of Civic Awareness Campaigns across Gauteng province; and procurement of Office Furniture at PDMC. Only critical key personnel posts were filled due to unavailability of office space.

Programme 1: Administration

The expenditure of the programme amounts to R63.7 million or 36 per cent in the first half of the 2020/21 financial year. The expenditure is mainly attributed to payments for fleet services; Personal Protective Equipment such sanitiser and face masks; service providers for disinfection of offices in the departmental buildings; probity auditors for open tender processes; Microsoft software licence fees; bursaries for employees; Audit and legal fees; security, cleaning, and municipal services; transportation of departmental movable assets to a storage facility and leasing of a storage facility; and the gratuities paid to the former MECs.

In addition, the expenditure also relates to the following: procured sound facilities and other stage accessories for the King Silamba Commemoration; payment to members of the Committee of Inquiry into Local Government; review of departmental organisational structure and establishment; asset verification; and expertise service on the creation of proud to pay campaign visual identity.

Programme 2: Local Governance

The programme spent an amount of R104.8 million or 39 per cent of the total adjusted allocation of R266 million. The expenditure is mainly emanating from rollout of Civic Awareness Campaigns across Gauteng province, payment of Administrators at City of Tshwane Metro and Emfuleni LM, management of Organisational structure and Institutional review process for Emfuleni LM, municipal support with Labour relation specialist, Asset Based Community Development promotional materials, and Mid-Term Performance review of Local Government in Gauteng province for period 2016-2019.

Furthermore, expenditure incurred also relate to: professional services to the Municipal finance unit: the review of Public Participation, Community Development and Stakeholders functions; project manager to manage the Emfuleni LM financial recovery plan; and procured handbook copiers, posters and radio space on identified Community Radio station for the launch of the Ward Based War Rooms Campaigns of the five regions of Gauteng

Programme 3: Development and Planning

The programme expenditure amounts to R71.4 million or 47 per cent of the total adjusted budget in the 2020/21 financial year. The expenditure is mainly due to the once-off transfer of R22 million to municipalities to support the following projects: Functional fire and rescue services and EPWP to broaden job creation initiatives. In response to Covid-19, the department incurred expenditure to support the Department of Health with Triage Facilities at clinics, blankets and mattress to support the Department of Social Development with homeless citizens during the lockdown period, and Personal Protective Equipment to support Gauteng municipalities.

The programme incurred expenditure for the contractual obligations at PDMC (such as security, cleaning, and municipal services), development of High level operational Model and structure for IPDMC Building, procurement of Office Furniture at PDMC, educational materials for Covid-19 awareness, development and compilation of the High-Level ICT theory framework for IPDMC, provision of ICT Turnek Solution, and procured firefighting tools to support rural fire fighting activities in the province,

Programme 4: Traditional Institutional Development

The programme spent an amount of R5.8 million or 35 per cent of the total budget, mainly emanating from compensation of employees. The programme also incurred on the Commemoration of the King Silamba II of the Ndebele Nation for the 30th annual commemoration at Komjekejeke Heritage site, application for the proclamation of the By-Election in Municipal Wards, workshop on customary initiation, and Merafong LM fraud and corruption awareness campaign.

4. Departmental Receipts

TABLE 7.11: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary Receipts		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	234	149	251	7%	184	100	(33)%
Transfers received				0%			0%
Fines, penalties and forfeits				!			
Interest, dividends and rent on land	72	62	115	60%	64	43	(31)%
Sales of capital assets							
Financial transactions in assets and liabilities	288	22	42	(85)%	79	40	82%
Total	594	233	408	(31)%	327	183	(21)%

Revenue trends for the first half of 2020/21

The Gauteng CoGTA's main sources of revenue are parking fees; and third-party commission. The revenue collection as at 2nd quarter of current financial year shows declines to R183 000 as compared to collection of R233 000 for the previous financial year in same period.

Sales of goods and services other than capitals revenue source reported collection amounting to R100 000 or 54 per cent against initial estimates of R184 000, due to the department collecting more revenue on commission than anticipated as a result of increased number of officials utilising option of paying third party from Persal and recent appointment of officials. The department revised the revenue items estimated within the baseline to make provision for interest revenue source which was already reporting over collection to date. Interest revenue source reported collection of R43 000 or 67 per cent against revised target of R64 000. More collection on interest is due to staff debtors not honouring their debts, which result on capital amount incurring more interest. Therefore, any payment made in those staff debt accounts will first cover more of the interest than its capital amount.

The department is experiencing challenges in collection of outstanding debtors. Hence, the financial transactions in assets and liabilities item reported very slow collection of R40 000 or 37 per cent against initial target of R109 000 as at 2nd quarter of 2020/21 financial year.

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

5.1 Changes to transfers and subsidies

TABLE 7.12: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

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 1	1 200			1 300			1 300	2 500
Household	1 200			1 300			1 300	2 500
Programme 2								
Programme 3	22 000			4 300			4 300	26 300
Functional Fire & Rescue Services	20 000			4 300			4 300	24 300
EPWP	2 000							2 000
Total changes in conditional Name of transfer payments	23 200			5 600			5 600	28 800

Virements and shifts

Transfers and subsidies are adjusted upwards by a net amount of R5.6 million, due to funds shifted from goods and services which includes R4.3 million as transfers to municipalities to improve fire and rescue services response capabilities in Emfuleni LM and Midvaal LM in line with Fire Brigade Services Act 99 of 1987 and the South African National Standard on community protection against fire code SANS:10090. Included in the funds shift, is an amount of R1.3 million reallocated from goods and services to households mainly to make provision for the outstanding gratuities paid to the former MECs.

5.2 Changes to conditional grants

No changes.

5.3 Changes to infrastructure

No changes.

VOTE 8**DEPARTMENT OF HUMAN SETTLEMENTS**

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 141 243	5 377 907		236 664
of which:				
Current payments	749 376	861 037		111 661
Transfers and subsidies	4 384 007	3 685 122	(698 885)	
Payments for capital assets	7 860	831 748		823 888
Payment for financial assets				
Executive authority	MEC for Human Settlements			
Accounting officer	Head of Department			

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 home owners, and
- Effective, efficient and compliant management of the Department's housing stock / property assets.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 8.1 DEPARTMENT OF HUMAN SETTLEMENTS

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		
1. Administration	537 483	(35 372)	7 033	(18 500)		100 000	53 161	590 644
2. Housing, Needs, Research & Planning	21 557			(1 500)			(1 500)	20 057
3. Housing Development	4 434 380		109 420	35 000			144 420	4 578 800
4. Housing Assets Property Management	147 823		55 583	(15 000)			40 583	188 406
Total for Programmes	5 141 243	(35 372)	172 036			100 000	236 664	5 377 907
Economic classification	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		
Current payments	749 376	(35 372)	7 033	40 000		100 000	111 661	861 037
Compensation of employees	503 564	(31 494)					(31 494)	472 070
Salaries & wages	427 607	(10 494)		(2 300)			(12 794)	414 813
Social contributions	75 957	(21 000)		2 300			(18 700)	57 257
Goods and services	245 812	(3 878)	7 033	39 297		100 000	142 452	388 264
Interest and rent on land				703			703	703
Transfers and subsidies	4 384 007		165 003	(863 888)			(698 885)	3 685 122
Provinces and municipalities								
Households	4 384 007		165 003	(863 888)			(698 885)	3 685 122
Payments for capital assets	7 860			823 888			823 888	831 748
Land and Subsoil				823 888			823 888	823 888
Machinery and equipment	3 316							3 316
Software and other intangible assets	4 544							4 544
Payments for financial assets								
Total economic classification	5 141 243	(35 372)	172 036			100 000	236 664	5 377 907

The 2020/21 budget for the department is reduced from R5.7 billion to R5.141 billion during the special adjustment budget in response to the Covid-19 pandemic. In order to strengthen the alignment with departmental mandate, budget proposals from business units were reviewed and revised. As such, the Department's adjustment budget process is informed by cost containment guideline, budget reprioritisation exercise to identify savings within the existing commitment and to fund the departmental priorities and essential operational requirements.

The table above illustrates that the budget for the Department of Human Settlements is adjusted upwards with an amount of R71.6 million from R5.141 billion to R5.377 billion during the main adjustment budget process. The adjustments in the budget are made up of budget cuts of R28.3 million made of Compensation of Employees and Personal Protective Equipment (PPE) to ensure that the government's initiative to contain the growth of public wage bill within affordable levels is implemented and to reimburse the Department of Health for expenditure incurred on PPE on behalf of the department in response to the Covid-19 pandemic, whilst the additions are made up of an equitable share rollover amount of R7.033 million from the Provincial Treasury that is approved to cater for payments of property rates and taxes on non-transferred RDP stock in five provincial hostels. In addition, the Department received an additional funding amount of R1.4 million to be utilised for the probity audit function to ensure effective and efficient open tender implementation as well as R100 million in respect of debt that is owed to the Red Ants. The department also receives approval from National Treasury for the roll-overs amounting to R165 million for HSDG (R109 million) and Title Deeds Restoration Grant (R55 million) to cater for accruals and commitment on projects from the previous financial year.

The Department reprioritised funds amongst and within the programmes. Through virements, an amount of R18.5 million and R1.5 is reprioritised from programme 1: Administration's and programme 2: Housing Needs, Research and Planning compensation of employees respectively and is allocated to programme 3: Housing Development for the realignment of personnel budget with the approved organisational structure. Whilst an amount of R15 million is redirected from programme 4: Housing Assets Property Management to programme 3 to align with the reprioritisation of the business plan relating to the HSDG.

Through shifts, funds are reprioritised within goods and services and from transfers and subsidies from savings realised due to non-availability of office space and the over provision for PPE during the special adjusted budget and are redirected to provide for Ntirhisano programmes to increase departments media visibility, procurement of office equipment, accruals incurred on interim audit performed to clear prior year balances as well as the current audit that took longer than anticipated due to the Covid-19 pandemic, implementation of the new departmental communication strategy, SITA accruals, tools of trade for employees working from home due to the Covid-19 pandemic, increased usage of G-fleet vehicles due to non-availability of office space, to counter inflationary increases, training programmes for employees following restructuring due to organisation structure review, increase in allocation of subsidized vehicles to fast-track service delivery, MEC 's outreach programmes, i.e. Izimbizo, Report back on community meetings and launching of projects and the handover of houses and Title Deeds and the reclassification due to sectoral transactional guide. The transfers and subsidies funds are shifted to realign the HSDG budget with the business plan, which payment for capital assets is increased by R829 million due to the reclassification as per housing sector transactional guide from transfers and subsidies.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 8.2: PROGRAMME 1: ADMINISTRATION

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		
1. Corporate Services	537 483	(35 372)	7 033	(18 500)		100 000	53 161	590 644
Total for Programmes	537 483	(35 372)	7 033	(18 500)		100 000	53 161	590 644
Economic classification	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		
Current payments	527 833	(35 372)	7 033	(18 500)		100 000	53 161	580 994
Compensation of employees	294 892	(31 494)		(18 500)			(49 994)	244 898
Salaries & wages	243 596	(10 494)		(16 500)			(26 994)	216 602
Social contributions	51 296	(21 000)		(2 000)			(23 000)	28 296
Goods and services	232 941	(3 878)	7 033	(703)		100 000	102 452	335 393
Transfers and subsidies	1 790							1 790
Provinces and municipalities								
Households	1 790							1 790
Payments for capital assets	7 860							7 860
Machinery and equipment	3 316							3 316
Software and other intangible assets	4 544							4 544
Payments for financial assets								
Thefts & Losses								
Total economic classification	537 483	(35 372)	7 033	(18 500)		100 000	53 161	590 644

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

Economic classification	Motivation	From	Motivation	To
Current payments		(33 500)		15 000
Compensation of employees	Realignment of the personnel budget with the approved organizational structure.	(18 500)		
Goods and services	Department over provided for Personal Protective Equipment (PPE) and savings on utility bills due to employees working from home and the Covid-19 pandemic.	(15 000)	Provision for Ntirhisano programmes to increase departments media visibility; procurement of office equipment; accruals incurred on interim audit performed to clear prior year balances as well as the current audit that took longer than anticipated due to the Covid-19 pandemic; implementation of the new departmental communication strategy; SITA accruals; tools of trade for employees working from home due to the Covid-19 pandemic; increased usage of G-fleet vehicles due to non-availability of office space; to counter inflationary increases; training programmes for employees following restructuring due to organisation structure review; increase in allocation of subsidized vehicles to fast-track service delivery; MEC 's outreach programmes i.e. Izimbizo; report back on community meetings and launching of projects; and the handover of houses and Title Deeds.	14 297
Interest and rent on land			To provide for SARS penalties due to late payment of tax following the closure of the department bank account.	703
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				
Total economic classification		(33 500)		15 000

Additional funding provincial: R100 million

The programme receives an equitable share additional funding amount of R100 million from the Provincial in respect of debt to the Red Ants.

Roll overs: R7 million

The programme received the total equitable share rollover amount of R7 million from the Provincial Treasury and the funds will be utilised for the payment of property rates & taxes for non-transferred RDP stock in five provincial hostels.

Virements and shifts

The review of personnel requirements as per approved organisational structure resulted in a savings of R18.5 million in the budget for compensation of employees. These amounts are reallocated in programme 3 as a virements to align personnel budget with the approved organisational structure of the programme.

A savings of an amount of R15 million is realised from goods and services due to non-availability of office space and the over provision for PPE during the special adjusted budget and reprioritised within the programme. An amount of R14.3 million is shifted within goods and service to provide for Ntirhisano programmes to increase departments media visibility, procurement of office equipment, accruals incurred on interim audit performed to clear prior year balances as well as the current audit that took longer than anticipated due to the Covid-19 pandemic, implementation of the new departmental communication strategy, SITA accruals, tools of trade for employees working from home due to the Covid-19 pandemic, increased usage of G-fleet vehicles due to non-availability of office space, to counter inflationary increases, training programmes for employees following restructuring due to organisation structure review, increase in allocation of subsidized vehicles to fast-track service delivery, MEC 's outreach programmes, i.e. Izimbizo, Report back on community meetings and launching of projects and the handover of houses and Title Deeds , whilst an amount of R703 000 was shifted to interest paid to provide for SARS penalties due to late payment of tax following the closure of the department bank account.

Function Shifts, Surrenders and Suspensions: R36.3 million

An amount of R36.7 million is surrendered to Provincial Revenue Fund (PRF). The surrender is made up of Compensation of Employees (GPF) R1.3 million, departmental Compensation of Employees R30.1 million to ensure that the government's initiative to contain the growth of public wage bill within affordable levels is implemented. The balance is for Personal Protective Equipment (PPE) of R5.3 million to reimburse the Department of Health for spending on PPE on behalf of the departments.

Programme 2: Housing Needs, Research and Planning

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

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		
1. Administration	11 039							11 039
2. Policy	6 329			(600)			(600)	5 729
3. Planning	4 189			(900)			(900)	3 289
Total for Programmes	21 557			(1 500)			(1 500)	20 057

Economic classification	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		
Current payments		21 557			(1 500)			(1 500)	20 057
Compensation of employees		15 485			(1 500)			(1 500)	13 985
Salaries & wages		13 099			(800)			(800)	12 299
Social contributions		2 386			(700)			(700)	1 686
Goods and services		6 072							6 072
Rental and hiring									
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification		21 557			(1 500)			(1 500)	20 057

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		(1 500)		
Compensation of employees	Realignment of the personnel budget with the approved organizational structure.	(1 500)		
Transfers and subsidies				
Payments for capital assets				
Total economic classification		(1 500)		

Virements and shifts

The budget for the programme is adjusted downwards by R1.5 million from compensation of employee's economic classification as a virements, and this amount has been redirected to programme 3 to align the personnel budget with the approved organisational structure of the programme.

Programme 3: Housing Development

TABLE 8.6: PROGRAMME 3: HOUSING DEVELOPMENT

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		
1. Administration	164 203			20 000			20 000	184 203
2. Financial Intervention	330 967		109 420	(139 905)			(30 485)	300 482
3. Incremental Interventions	3 939 210			154 905			154 905	4 094 115
Total for Programmes	4 434 380		109 420	35 000			144 420	4 578 800

Economic classification	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		
R Thousand								
Current payments	164 203			20 000			20 000	
Compensation of employees	158 102			20 000			20 000	
Salaries & wages	140 165			15 000			15 000	
Social contributions	17 937			5 000			5 000	
Goods and services	6 101						6 101	
Transfers and subsidies	4 270 177		109 420	(808 888)			(699 468)	
Provinces and municipalities								
Households	4 270 177		109 420	(808 888)			(699 468)	
Payments for capital assets				823 888			823 888	
Buildings and other fixed structures				823 888			823 888	
Machinery and equipment								
Payments for financial assets								
Total economic classification	4 434 380		109 420	35 000			144 420	

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

Economic classification	Motivation	From	Motivation	To
Current payments		(1 000)		21 000
Compensation of employees			Realignment of the personnel budget with the approved organizational structure.	20 000
Goods and services	Less travelling due to the COVID-19 pandemic.	(1 000)	Funds are made available to provide for data collection for job creation initiatives.	1 000
Interest and rent on land				
Transfers and subsidies		(982 343)		173 455
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 as per housing sector transactional guide.	(982 343)	Realignment of the HSDG budget with the approved business plan.	173 455
Payments for capital assets				823 888
Buildings and other fixed structures				
Machinery and equipment				
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets			Reclassification as per housing sector transactional guide.	823 888
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(983 343)		1 018 343

Virements and shifts

Through virements, the programme increases by an amount of R20 million from R4.434 billion to R4.469 billion. The increase is due to funds reprioritisation from programme 1: Administration (R18.5 million) and programme 2: Housing Needs, Research and Planning (R1.5 million) compensation of employees to align the budget with the approved organisational structure. In addition, an amount of R15 million is reprioritised from programme 4: Housing Assets and Property Management due to the realignment of the HSDG budget with the approved business plan. An amount of R1 million from goods and services is shifted within the programme to provide for data collection for job creation initiatives.

Through shifts, Financial intervention received an amount of R9.2 million from Incremental intervention to curb the over spending under NHBRC sub-sub-programme. Whereas, an amount of R824 million is reprioritised within the sub-programme: incremental intervention due to the realignment of the HSDG funding with the approved business plan as well as reclassification of SCOA items as per housing sector transactional guide.

Roll overs: R109 million

The department receives approval from National Treasury for the roll-overs amounting to R109 million for HSDG to cater for accruals and commitment on projects from the previous financial year.

Programme 4: Housing Assets and Property Management

TABLE 8.8: PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

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		
1. Administration	35 783							35 783
2. Sales And Transfer Of Housing Properties	57 040		55 583				55 583	112 623
3. Housing Properties Maintenance	55 000			(15 000)			(15 000)	40 000
Total for Programmes	147 823		55 583	(15 000)			40 583	188 406

Economic classification	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		
R Thousand								
Current payments	35 783			40 000			40 000	75 783
Compensation of employees	35 085							35 085
Salaries & wages	30 747							30 747
Social contributions	4 338							4 338
Goods and services	698			40 000			40 000	40 698
Transfers and subsidies	112 040		55 583	(55 000)			583	112 623
Households	112 040		55 583	(55 000)			583	112 623
Payments for capital assets								
Total economic classification	147 823		55 583	(15 000)			40 583	188 406

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				40 000
Goods and services			Reclassification as per housing sector transaction guide	40 000
Transfers and subsidies		(55 000)		
Households	Realignment of the HSDG budget with the approved business plan and reclassification as per housing sector transactional guide.	(55 000)		
Payments for capital assets				
Total economic classification		(55 000)		40 000

Virements and shifts

In view of this programme, virements amounting to R15 million are reprioritised to programme3: Housing Development to align HSDG the budget with the approved business plan, whilst R40 million is reclassified from transfers and subsidies to goods and services as per housing sector transactional guide.

Roll overs: R55.5 million

The department also receives approval from National Treasury for the roll-overs amounting to R55 million for Tittle Deeds Restoration Grant to cater for accruals and commitment on projects from the previous financial year.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

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

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
1. Administration	636 068	282 364	589 132	93%	590 644	182 142	(35)%
2. Housing Needs, Research and Planning	40 926	7 525	15 028	37%	20 057	6 169	(18)%
3. Housing Development	5 364 575	2 144 043	4 982 581	93%	4 578 800	1 462 258	(32)%
4. Housing Assets Management Property Management	254 973	92 166	176 007	69%	188 406	21 687	(76)%
Total	6 296 542	2 526 098	5 762 748	92%	5 377 907	1 672 256	(34)%
Current payments	863 718	386 994	815 206	94%	861 037	298 141	(23)%
Compensation of employees	472 830	220 409	451 003	95%	472 070	221 140	0%
Goods and Services	390 888	166 585	364 203	93%	388 264	77 001	(54)%
Interest and rent on land					703		
Transfers and subsidies	5 403 372	2 123 277	4 931 105	91%	3 685 122	1 374 115	(35)%
Provinces and municipalities							
Households	5 403 372	2 123 277	4 931 105	91%	3 685 122	1 374 115	(35)%
Payments for capital assets	29 410	15 785	16 247	55%	831 748		(100)%
Buildings and other fixed structures		(338)					
Machinery and equipment	23 010	16 123	16 247	71%	3 316		(100)%
Software and other intangible assets	6 400				4 544		
Payments for financial assets	42	42	190	5			
Total	6 296 542	2 526 098	5 762 748	92%	5 377 907	1 672 256	(34)%

Expenditure trend for 2019/20

The total appropriation for the financial year 2019/20 amounted to R6.3 billion. As at the end of the financial year, total expenditure amounted to R5.8 billion or 92 per cent of the total adjusted budget. The main driver of expenditure was Programme 3: Housing Development which spent R5 billion or 93 per cent of the adjusted budget. Goods and services spent 93 per cent or R364.6 million of the total goods and services allocated budget. Compensation of employee's expenditure amounted to R451 million or 95 per cent of the total allocation whilst transfers and subsidies spent a total of R4.9 billion or 92 per cent of the total allocation for the conditional grants.

Expenditure trends for the first half of 2020/21

As at the end of September 2020, the department's spending amounted to R1.6 billion or 33 per cent of the R5.1 billion adjusted appropriation. The lockdown imposed in the country resulted in low expenditure incurred because of limited activities on economic activities, such as construction and procurement of goods and services. Furthermore, there were delays in approval of the business plan and the department did not receive any tranche payment for TDRG as per the payment schedule until end of September.

Programme 1: Administration

The programme spending as at the end of second quarter is 37 per cent less than what was spent in the 2019/20 financial year when comparing the adjusted budget of 490.6 million versus the spending of R182.1. The under spending within the programme was due to lockdown imposed in the country that resulted in limited activities on goods and services and machinery and equipment due to most of the items being centralised within this programme.

Programme 2: Housing Needs, Research and Planning

Expenditure for the programme amounts to R6.1 million or 31 per cent of the total adjusted budget of R20 million. The slow spending on this programme is due to limited activities because of lockdown imposed in the country for the period under review. The spending relates to compensation of employee.

Programme 3: Housing Development

As at the end of the second quarter the programme expenditure amounts to R1.4 billion or 33 per cent of the R4.4 billion adjusted budget. The slow spending on the programme is attributed to slow payment of claims for the period of three weeks in the second quarter resulting from challenges experienced on the department's bank account. In addition, there was late

approval of the business plan by the NDHS for the disbursement of the TDRG conditional grant funding.

Programme 4: Housing Assets and Property Management

The adjusted appropriation amounts to R132.8 million with spending of R21.6 million or 16 per cent for the first half of the current financial year. The expenditure is less than what was spent in the 2019/20 financial year, this is attributed to the late disbursement of the title deeds grant funding because the department did not receive any tranche as per the payment schedule until end of September from NDHS.

4. Departmental Receipts

Table 8.11 DEPARTMENTAL RECEIPTS

Department	2019/20 Audited Outcome				2020/21 Preliminary Receipts		
	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	485	228	801	65%	512	222	(3)%
Transfers received							
Fines, penalties and forfeits							
Interest, dividends and rent on land	425	2 893	5 958	1302%	448		(100)%
Sales of capital assets							
Financial transactions in assets and liabilities	4 561	914	2 642	(42)%	4 812	21	(98)%
Total	5 471	4 035	9 401	72%	5 772	243	(94)%

Revenue trends for the first half of 20120/21

The revenue sources for the department are parking fees, sale of tender documents, income from servitude rights and sale of assets valued under R5 000. Income from servitude rights is higher because of increase in the number of lines installed on the land of the department. There are no changes in the current year's budget in respect of departmental revenue.

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

5.1 Changes to transfers and subsidies

TABLE 8.12: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

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 1	1 790							1 790
HOUSE HOLDS	1 790							1 790
Programme 3	4 270 177		109 420	(808 888)			(699 468)	3 570 709
HOUSE HOLDS	4 270 177		109 420	(808 888)			(699 468)	3 570 709
Programme 4	112 040		55 583	(15 000)			40 583	112 623
HOUSE HOLDS	112 040		55 583	(55 000)			583	112 623
Total changes in conditional Name of transfer payments	4 384 007		165 003	(823 888)			(658 885)	3 685 122

An amount of R824 million is reclassified within programme3: 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 R40 million is reclassified within programme4: Housing Assets Management Property Management from transfers and subsidies to goods and services under property payments for the same. The department also receives approval from National Treasury for the roll-overs amounting to R165 million for HSDG (R109 million) and Title Deeds Restoration Grant (R55 million) to cater for accruals and commitment on projects from the previous financial year.

5.2 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		
Programme 3	4 145 177		109 420			109 420	4 254 597
HUMAN SETTLEMENTS DEVELOPMENT GRANT	4 134 993		109 420			109 420	4 244 413
EPWP	10 184						10 184
Programme 4	57 040		55 583			55 583	112 623
TITLE DEEDS RESTORATION GRANT	57 040		55 583			55 583	112 623
Total changes in conditional grants	4 202 217		165 003			165 003	4 367 220

The department receives approval from National Treasury for the roll-overs amounting to R165 million for HSDG (R109 million) and Title Deeds Restoration Grant (R55 million) to cater for accruals and commitment on projects from the previous financial year.

5.3 Changes to infrastructure

Not applicable

VOTE 9**DEPARTMENT OF ROADS AND TRANSPORT**

R thousand	2020/21			
	Special adjusted appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	8 175 131	8 377 996		202 865
of which:				
Current payments	2 257 893	2 290 554		32 661
Transfers and subsidies	5 050 285	5 439 297		389 012
Payments for capital assets	866 953	648 145	(218 808)	
Payment for financial assets				
Executive authority	MEC Roads and Transport			
Accounting officer	Head of the Department			

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

Changes to Programme Purpose, Objective and Measures

No changes

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 9.1: ROADS AND TRANSPORT

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		
1. Administration	358 364	(23 800)		(7 531)		(31 331)	327 033
2. Transport Infrastructure	2 335 719	(1 161)		(189 530)	45 491	(145 200)	2 190 519
3. Transport Operations	2 801 250			53 703		53 703	2 854 953
4. Transport Regulation	388 052	(28 634)		(34 685)		(63 319)	324 733
5. Gautrain Rapid Rail Link	2 291 746	(7 988)		178 043		218 957	2 680 758
Total for Programmes	8 175 131	(61 583)			45 491	218 957	8 377 996

Economic classification	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
Current payments		2 272 893	(53 595)		40 765	45 491	32 661	2 305 554	
Compensation of employees	770 853		(46 161)		44 995		(1 166)	769 687	
Salaries & wages	654 138		(35 950)		46 890		10 940	665 078	
Social contribution	116 715		(10 211)		(1 895)		(12 106)	104 609	
Goods and services	1 502 040		(7 434)		(4 290)	45 491	33 767	1 535 807	
Interest and rent on land					60		60	60	
Transfers and subsidies		5 050 285	(7 988)		178 043		218 957	5 439 297	
Provinces and municipalities	2 800							2 800	
Departmental agencies and accounts	2 291 746		(7 988)		178 043		218 957	2 680 758	
Public corporations and private enterprises	2 750 895							2 750 895	
Households	4 844							4 844	
Payments for capital assets		851 953			(218 808)		(218 808)	633 145	
Buildings and other fixed structures	849 717				(218 008)		(218 008)	631 709	
Machinery and equipment	645				200		200	845	
Software and other intangible assets	1 591				(1 000)		(1 000)	591	
Payments for financial assets									
Thefts & Losses									
Total economic classification		8 175 131	(61 583)			45 491	218 957	(194 135)	8 377 996

The adjustments budget of the Department is informed by the outcome of mid-year budget, performance assessment and the revised spending projections for the second half of the financial year. The midyear budget adjustment was also used as an opportunity to realign the Departmental mandate and programmes with GGT2030 priorities and those of the 6th Administration.

Funds have been reprioritised from low-performing Programmes to new priorities and areas experiencing budgetary pressures primarily due to delays because of COVID -19 pandemic and Supply Chain Management Processes.

The information contained in the tables above indicates that the budget increased from R8.2 billion to R8.4 billion. The increase is due to an additional budget allocation of conditional grant and to meet the Provincial Contractual liabilities for Gautrain Patronage Guarantee which is a de facto subsidy.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 9.2: ADMINISTRATION

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		
1. Office of the MEC	10 165			1 955			1 955	12 120
2. Management Of The Department	28 919	6 049		6 325			12 374	41 293
3. Corporate Support	315 678	(29 277)		(15 761)			(45 038)	270 640
4. Departmental Strategy	3 602	(572)		(50)			(622)	2 980
Total for Programmes	358 364	(23 800)		(7 531)			(31 331)	327 033

Economic classification	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		
R Thousand								
Current payments	346 758	(23 800)		(7 259)			(31 059)	315 699
Compensation of employees	213 654	(16 366)					(16 366)	197 288
Salaries & wages	181 908	(9 050)		(124)			(9 174)	172 734
Social contribution	31 746	(7 316)		124			(7 192)	24 554
Goods and services	133 104	(7 434)		(7 259)			(14 693)	118 411
Interest and rent on land								
Transfers and subsidies	580			300			300	880
Provinces and municipalities								
Households	580			300			300	880
Payments for capital assets	11 026			(572)			(572)	10 454
Machinery and equipment	10 435			(572)			(572)	9 863
Software and other intangible assets	591							591
Total economic classification	358 364	(23 800)		(7 531)			(31 331)	327 033

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

Economic classification	Motivation	From	Motivation	To
Current payments		(21 207)		13 948
Compensation of employees	Funds shifted to where people are placed within the organisational structure due to organisational review.	(11 396)	Funds shifted to where people are placed within the organisational structure due to organisational review.	11 396
Goods and services	Funds shifted to cater for the budgetary pressures with other programmes as a results of unlocked activities.	(9 811)	Funds sourced from various items within the sub-programmes to cater for the anticipated over expenditure on some of the items due to insufficient budget allocated as well as some of the activities are underway i.e. October Transport Month (OTM) activities.	2 552
Interest and rent on land				
Transfers and subsidies				300
Households			Funds received from other programme to cover for the anticipated over expenditure on households as a results of in adequate budget.	300
Payments for capital assets		(772)		200
Buildings and other fixed structures				
Machinery and equipment	Transfer of funds to programmes support infrastructure as a results of centralisation of function.	(772)	Funds received within the programme transport equipment, Programme support infrastructure as a results of centralisation of function.	200
Total economic classification		(21 979)		14 448

Virements and Shifts

An amount of R21.2 million is shifted within salaries and wages from sub-programme Corporate Services to MEC's Office to fund the anticipated overspending within the programme. Savings have been identified from Corporate Services due to organisational structure review which is not yet complete to enable the filling of identified vacant positions.

An amount of R7.5 million was transferred to programme support infrastructure because of centralisation of function within the department.

The shifts made within goods and services for R 2.8 million is sourced from various items within different sub-programmes to fund anticipated over expenditure due to insufficient budget allocated and centralisation of GG vehicles.

A further amount of R772 is shifted from transport equipment to programme support infrastructure as a result of centralisation of GG vehicles function.

Function Shifts, Surrenders and Suspensions: R23.8 million

An amount of R23.8 million was surrendered within compensation of employee's administration as a results of National Treasury directives.

Programme 2: Transport Infrastructure

TABLE 9.4: PROGRAMME 2: TRANSPORT INFRASTRUCTURE

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		
1. Infrastructure Planning	83 155			31 441			31 441	114 596
2. Infrastructure Design	250 772			(53 600)			(53 600)	197 172
3. Construction	705 465			(166 829)			(166 829)	538 636
4. Maintenance	1 264 483	(1 161)		(17 030)	45 491		27 300	1 291 783
5. Programme Support Infrastructure	31 844			16 488			16 488	48 332
Total for Programmes	2 335 719	(1 161)		(189 530)	45 491		(145 200)	2 190 519

Economic classification	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		
Current payments		1 476 169	(1 161)		28 187	45 491		72 517	1 548 686
Compensation of employees		302 452	(1 161)					(1 161)	301 291
Salaries & wages		254 429	(1 000)		2 019			1 019	255 448
Social contribution		48 023	(161)		(2 019)			(2 180)	45 843
Goods and services		1 173 717			28 127	45 491		73 618	1 247 335
Interest and rent on land					60			60	60
Transfers and subsidies		6 188			(300)			(300)	5 888
Provinces and municipalities		2 800							2 800
Households		3 388			(300)			(300)	3 088
Payments for capital assets		853 362			(217 417)			(217 417)	635 945
Buildings and other fixed structures		849 592			(219 629)			(219 629)	629 963
Machinery and equipment		3 770			2 212			2 212	5 982
Total economic classification		2 335 719	(1 161)		(189 530)	45 491		(145 200)	2 190 519

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

Economic classification	Motivation	From	Motivation	To
Current payments		(366 831)		395 018
Compensation of employees	Funds shifted to where people are placed within the organisational structure due to organisational review.	(15 479)	Funds sourced from design and maintenance to cover for the anticipated over expenditure as a results of Transport Authority for Gauteng (TAG) salary claims.	15 479
Goods and services	Realignment of infrastructure projects as certain projects are delayed due to COVID 19.	(351 352)	Realignment of budget due to delay in infrastructure projects as well as funds transferred for Patronage guarantee of GMA to cover the anticipated shortfall	379 479
Interest and rent on land			Funds are shifted to cover for the anticipated over expenditure on interest as a results of budget shortfall.	60
Transfers and subsidies		(300)		
Households	Savings identified within the programme to cater for the anticipated over expenditure on households.	(300)		
Payments for capital assets		(254 084)		36 667
Buildings and other fixed structures	Realignment of infrastructure projects as certain projects are delayed due to COVID 19.	(253 989)	Reclassification of infrastructure projects as certain projects are delayed due to COVID 19.	34 360
Machinery and equipment	The shift is as a results of centralisation of function with programme support infrastructure.	(95)	The shift is as a results of centralisation of function with programme support infrastructure.	2 307
Total economic classification		(621 215)		431 685

Virements and Shifts

The overall budget for the programme decreased by R145 200 from R2.3 billion to 2.2 billion. A total amount of R40 million is reallocated to goods and services because of re alignment of infrastructure projects.

Of the R40 million an amount of R24 million is received from operating licensing and permits sub programme because of realignment of the 2020/21 financial year rein fence line item. An amount of R15.7 million is received from other programmes to cater for the centralisation of function within GG vehicles.

In addition, a virement of R1.6 million is made to Sebokeng and Kagiso DLTCs as a results of budget shortfall and the retention funds. Furthermore, an amount of R189 million was transferred to other programmes within the department that experience budgetary pressures.

The shift of R300 000 within the household items is to cater for the anticipated over expenditure within corporate support sub programme, a further R18 million is received from other programmes as a result of centralisation of function within GG vehicles.

Function Shifts, Surrenders and Suspensions: R1.2 million

An amount of R1.2 million is surrendered within compensation of employees programme support infrastructure as a results of National Treasury directives.

Additional National funding: R45 million

The department is allocated an additional amount of R45 million within the Maintenance sub-programme to augment the infrastructure budget for the outsourced routine maintenance class 1&2 for presidential job creation on rural routes.

Programme 3: Transport Operations

TABLE 9.6: PROGRAMME 3: TRANSPORT OPERATIONS

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		
1. Public Transport Services	2 792 986			12 596			12 596	2 805 582
2. Programme Support Operations	8 264			41 107			41 107	49 371
Total for Programmes	2 801 250			53 703			53 703	2 854 953

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
R Thousand							
Current payments	50 128			53 793		53 793	103 921
Compensation of employees	29 555			44 995		44 995	74 550
Salaries & wages	25 865			44 995		44 995	70 860
Social contribution	3 690						3 690
Goods and services	20 573			8 798		8 798	29 371
Interest and rent on land							
Transfers and subsidies	2 751 032						2 751 032
Provinces and municipalities							
Public corporations and private enterprises	2 750 895						2 750 895
Households	137						137
Payments for capital assets	90			(90)		(90)	
Buildings and other fixed structures							
Machinery and equipment	90			(90)		(90)	
Payments for financial assets							
Thefts & Losses							
Total economic classification	2 801 250			53 703		53 703	2 854 953

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

Economic classification	Motivation	From	Motivation	To
Current payments		(3 810)		57 603
Compensation of employees	Funds shifted to where people are placed within the organisational structure due to organisational review.	(2 095)	The shift is to cover for the anticipated over spending on salaries & wages as well as social contributions.	47 090
Goods and services	Funds shifted due to implementation of cost containment measures.	(1 715)	Funds sourced from consumables supplies to cater for the anticipated over expenditure as a results of unbudgeted line item.	10 513
Interest and rent on land				
Transfers and subsidies				
Payments for capital assets		(90)		
Buildings and other fixed structures				
Machinery and equipment	Funds transfer to operating lease, programme support information as a results of centralisation of function.	(90)		
Total economic classification		(3 900)		57 603

Virements and Shifts

The programme's budget is increased by R53.7 million from R2.8 billion to R2.9 billion. An amount of R55.5 million is received as a results of re alignment of original budget, to cater for the Cadets Programme stipend and new infrastructure project within this programme - Digital Solution for Law Enforcement in the Minibus Taxi Industry.

An amount of R1.7 million is transferred to Programme Support Infrastructure as some results of centralisation of function GG vehicles.

An Amount of R90 000 is shifted from machinery and equipment to operating lease programme support information as a result of centralisation of function.

An amount of R2 million was shifts within this programme to cater for the cover over/ under spending on some items.

Programme 4: Transport Regulation

TABLE 9.8: PROGRAMME 4: TRANSPORT REGULATION

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		
1. Transport Administration And Licencing	224 055	(28 634)		(13 785)			(42 419)	181 636
2. Operator Licence And Permits	163 997			(20 900)			(20 900)	143 097
Total for Programmes	388 052	(28 634)		(34 685)			(63 319)	324 733

Economic classification	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		
Current payments		384 838	(28 634)		(33 956)			(62 590)	322 248
Compensation of employees		225 192	(28 634)					(28 634)	196 558
Salaries & wages		191 936	(25 900)					(25 900)	166 036
Social contribution		33 256	(2 734)					(2 734)	30 522
Goods and services		159 646			(33 956)			(33 956)	125 690
Interest and rent on land									
Transfers and subsidies		739							739
Provinces and municipalities									
Households		739							739
Payments for capital assets		2 475			(729)			(729)	1 746
Buildings and other fixed structures		125			1 621			1 621	1 746
Machinery and equipment		1 350			(1 350)			(1 350)	
Software and other intangible assets		1 000			(1 000)			(1 000)	
Payments for financial assets									
Thefts & Losses									
Total economic classification		388 052	(28 634)		(34 685)			(63 319)	324 733

TABLE 9.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: TRANSPORT REGULATION

Economic classification	Motivation	From	Motivation	To
Current payments		(68 399)		34 443
Compensation of employees	Funds shifted to where people are placed within the organisational structure due to organisational review.	(8 366)	Funds shifted to where people are placed within the organisational structure due to organisational review.	8 366
Goods and services	Funds shifted to cater for the budgetary pressures with other programmes as a results of unlocked activities.	(60 033)	The shift to this item is to cover the anticipated over expenditure as a results of insufficient budget.	26 077
Interest and rent on land				
Transfers and subsidies		(665)		665
Households	Realignment of the original budget within the same economic classification.	(665)	Realignment of the original budget within the same economic classification.	665
Payments for capital assets		(2 350)		1 621
Buildings and other fixed structures			Reclassification of infrastructure budget allocation. The shift to this project is to cover for the insufficient budget.	1 621
Machinery and equipment	Funds transfer to transport equipment, programme support infrastructure as a results of centralisation of function.	(1 350)		
Software and other intangible assets	Funds shifted to Inventory: Other supplies to cater for anticipated over expenditure on face value forms. The original budget was not adequate.	(1 000)		
Total economic classification		(71 414)		36 729

Virements and Shifts

An amount of R29.8 million is shifted within the main items to cater for the over/under spending from Transport Admin and Licensing to Operating License and Permits to cover for the budget shortfall within compensation of employees.

Furthermore, an amount of R1.6 million is received from Programme 2, Sub-Programme Construction to fund the retention payment made to the contractor for the DLTC in Kagiso and to cater for the budget shortfall in Sebokeng DLTC. The other shifts within this programme are to cover for the over/under spending.

Function Shifts, Surrenders and Suspensions: R28.6 million

An amount of R28.6 million is surrendered within compensation of employees in transport regulations as a results of National Treasury directives.

Programme 5: Gautrain

TABLE 9.10: PROGRAMME 5: GAUTRAIN

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		
1. Gautrain Rapid Link	2 291 746	(7 988)		178 043		218 957	389 012	2 680 758
Total for Programmes	2 291 746	(7 988)		178 043		218 957	389 012	2 680 758

Economic classification	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		
Current payments		15 000						15 000	
Compensation of employees									
Salaries & wages									
Social contribution									
Goods and services		15 000						15 000	
Interest and rent on land									
Transfers and subsidies		2 291 746	(7 988)		178 043		218 957	2 680 758	
Departmental agencies and accounts		2 291 746	(7 988)		178 043		218 957	2 680 758	
Households									
Payments for capital assets		(15 000)						(15 000)	
Buildings and other fixed structures									
Machinery and equipment		(15 000)						(15 000)	
Payments for financial assets									
Thefts & Losses									
Total economic classification		2 291 746	(7 988)		178 043		218 957	2 680 758	

TABLE 9.11: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: GAUTRAIN

Economic classification	Motivation	From	Motivation	To
Current payments				
Transfers and subsidies				178 043
Provinces and municipalities				
Departmental agencies and accounts			Funds received from maintenance sub unit to cover for the anticipated patronage guarantee shortfall.	178 043
Payments for capital assets				
Total economic classification				178 043

Virements and Shifts

An amount of R178 million was transferred from the infrastructure programme to Gautrain to the Provincial Patronage Guarantee shortfall.

Function Shifts, Surrenders and Suspensions: R7.9 million

An amount of R7.9 million is surrendered within compensation of employees Gauteng Management Agency (GMA) as a results of National Treasury directives.

Additional Provincial funding: R219 million

The department is allocated an additional amount of R219 million within Gautrain in addition to the initial virement to fund the Provincial Patronage Guarantee Shortfall.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 9.12: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 - Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted Appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
Administration	332 154	140 214	334 097	101%	327 033	142 104	1%
Transport Infrastructure	2 825 907	1 309 742	2 159 348	76%	2 190 519	861 998	(34)%
Transport Operations	2 537 507	1 034 857	2 226 733	88%	2 854 953	811 189	(22)%
Transport Regulation	294 077	138 187	289 325	98%	324 733	109 172	(21)%
Gautrain Rapid Rail Link	1 945 268	973 609	2 153 314	111%	2 680 758	1 102 081	13%
Total	7 934 913	3 596 609	7 162 817	90%	8 377 996	3 026 544	(16)%
Current payments	2 352 019	1 154 365	2 275 411	97%	2 305 554	923 604	(20)%
Compensation of employees	702 514	321 760	673 426	96%	769 687	335 045	4%
Goods and Services	1 634 767	832 487	1 601 968	98%	1 535 807	588 530	(29)%
Interest and rent on land	14 738	118	17	0%	60	29	(75)%
Transfers and subsidies	4 461 844	1 960 420	4 330 252	97%	5 439 297	1 893 784	(3)%
Provinces and municipalities	1 899	902	1 939	102%	2 800	783	(13)%
Departmental agencies and accounts	1 945 268	973 609	2 153 314	111%	2 680 758	1 102 081	13%
Public corporations & private enterprises	2 463 790	982 652	2 167 575	88%	2 750 895	789 223	(20)%
Households	50 887	3 257	7 424	15%	4 844	1 697	(48)%
Payments for capital assets	1 120 928	481 760	557 138	50%	633 145	209 156	(57)%
Buildings and other fixed structures	1 084 943	474 959	544 246	50%	631 709	207 557	(56)%
Machinery and equipment	18 921	6 719	7 601	40%	845	1 146	(83)%
Software and other intangible assets	17 064	82	5 291	31%	591	453	452%
Payments for financial assets	122	64	16	13%			(100)%
Total	7 934 913	3 596 609	7 162 817	90%	8 377 996	3 026 544	(16)%

Expenditure trends for 2019/20

The table above indicates the services of the department categorised per programmes, which are fully aligned to the uniform budget and programme structure for the transport sector. The Department continuously aims to spend the total allocated budget to ensure improved service delivery.

Programme 1: Administration: This programme is responsible for the administrative functions of the Department. The spending as at the 31 March 2020 is less than what was anticipated in comparison of the projected expenditure. The moratorium on the filling of non-core vacant posts and implementation of cost containment majors have contributed to underspending within this programme.

Programme 2: Transport infrastructure: This programme is the main core function of the Department, the underspending was mainly as a result of the filling project management posts and core engineering posts that did not take off this year.

Programme 3: Transport Operations: The underspending within this programme was mainly as a result of cancellation of operations in Sedibeng and Mamelodi, North West Star that is not operating at optimal levels and Did Not Operate (DNOs) penalties levied against the operators that contributed to the under-spending.

Programme 4: Transport Regulation: The underspending within this programme was due to the process of filling core transport regulation and monitoring posts that did not take off this year.

Programme 5: Gautrain: All transfers to Gautrain were made in line with the 2019/20 financial year payment schedule.

The details of the spending per programme were as follows:

Preliminary expenditure trends for the first half of 2020/21

The department spent a total amount of R3.027 billion or 37 per cent of the allocated special adjustment budget during the first half of the 2020/21 financial year compared to the R3.597 billion that was spent in the same period in 2019/20 financial year, showing an overall decline of 16 per cent. This was below the targeted spending of 50 per cent for the first half of the year. It should however be noted that whilst the expenditure for first half of the financial year was very low as a result of COVID -19 pandemic, the Department will realise the improved spending as the year progresses.

The lockdown period resulted in low spending in all projects relating to infrastructure. Expenditure is expected to increase in the third and fourth quarters. Available funds are reprioritised to address budgetary pressures within the different programmes.

The details of the spending per programme were as follows:

Programme 1: Administration

The programme spent R142 million during the first half of the current financial year as compared to R140 million spent in the same period of the last financial year, representing an increase of 1 per cent. The reduction in expenditure is on goods and services and are due to the delayed implementation of activities due to COVID -19 pandemic.

Programme 2: Transport Infrastructure

The programme promote accessibility, 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 R862 million during the first half of the financial year as compared to R1.310 billion spent in the same period of the last financial year, equating to 34 percent decrease in expenditure. This was mainly because of the slow delivery of infrastructure projects due to;

- Delays in issuing of the appointment letters.
- Delays in supply chain processes and,
- Transitional processes of COVID - 19 Pandemic.

Programme 3: Transport Operations

The programme expenditure for the mid-year decreased by 22 per cent, with R811 million spent at mid-year when compared to R1.035 billion spent in 2019/20 of the same period. The delays experienced in the procurement process of appointing new bus operators have negatively impacted expenditure for the first two quarters of the year financial year.

Programme 4: Transport Regulations

The programme provides provision of a safe environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and registration and licensing of vehicles and drivers. At mid-year assessment, the programme has spent R109 million in comparison to the R138 million that was spent in the same period of the 2019/20 financial year, representing a decrease of 21 per cent. The delays were as a result of COVID - 19 pandemic.

Programme 5: Gautrain

The programme provides plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain. The programme has spent R1.102 billion in comparison to the R1.014 billion that was spent in the same period of the 2019/20 financial year. The 1 per cent difference derive from the annual plan target.

All transfers to Gautrain are in line with the payment schedule and the allocated budget will be fully spent by the end of the financial year.

4. Departmental Receipts

TABLE 9.13: DEPARTMENTAL RECEIPTS

Department	2019/20 Audited Outcome				2020/21 Preliminary Receipts		
	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted Appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
R thousand							
Tax receipts	4 025 181	1 991 800	2 033 381	(49)%	3 977 523	1 465 884	(26)%
Motor vehicle licences	4 025 181	1 991 800	2 033 381	(49)%	3 977 523	1 465 884	(26)%
Sales of goods and services other than capital assets	83 991	43 937	40 054	(52)%	88 611	17 967	(59)%
Interest, dividends and rent on land	67	13	54	(19)%	71	5	(62)%
Sales of capital assets							
Financial transactions in assets and liabilities	1 676	435	1 241	(26)%	1 768	97	(78)%
Total	4 110 915	2 036 185	2 074 730	(147)%	4 067 973	1 483 953	(225)%

Revenue trends for the first half of the 2020/21 financial year

The table above shows the contribution of each revenue source towards the total revenue generated at the end of second quarter of the 2020/21 financial year. The estimated actual collected as at the end of September 2020 amount to R1.484 billion. Thus, there are downwards adjustments for revenue from R4.068 billion to R3.819 billion as a results of COVID - 19 pandemic.

The revenue collected as at the 30 September 2020 decreased from R2 billion in the previous financial year to R1.5 billion in the current financial year representing 27 per cent declined. Based on over collection, the department have downwards the revenue estimates for the current financial year.

The Motor Vehicle License tax receipts item which comprises of motor vehicle registration and licensing contributed the highest revenue collected and show a decrease in comparison with the previous financial year.

The amount collected for the sales of goods and services other than capital assets is R17 000 in the current financial year in comparison with R43 000 million in the previous financial year. The decline is as a results of COVID -19 lockdown, to which includes parking fees from employees, sales of security maps, tender document, meal and refreshment, fees for boarding services provided for staff, commission on insurance, domestic service (salaries garnishes, insurances and other debt incurred by staff).

Interest, dividends and rent on land contributed an amount of R5 000 earned in the current financial year in comparison with R13 000 in the previous financial year. The decrease is as a results of COVID -19 lockdown which has impacted on the department debt collected from external stakeholder such as service providers.

Financial transactions in assets and liabilities contributed an amount of R97 000 in the current financial year in comparison with R435 000 in the previous financial year. The decrease derives from COVID - 19 lockdown, to the revenue collected as at the 30 September 2020.

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

5.1 Changes to Transfers

TABLE 9.14: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

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 5	2 291 746	(7 988)		178 043		218 957	389 012	2 680 758
Gautrain	2 291 746	(7 988)		178 043		218 957	389 012	2 680 758
Total changes in conditional Name of transfer payments	2 291 746	(7 988)		178 043		218 957	389 012	2 680 758

Virements and Shifts

An amount of R178 million was transferred from the infrastructure programme to Gautrain to cover for the Provincial Patronage Guarantee shortfall.

Surrender: R7.9 million

An amount of R7.9 million is surrendered within compensation of employees (GMA) as a result of National Treasury directives.

Additional Provincial funding: R219 million

The department is allocated an additional amount of R219 million within Gautrain in addition to the initial virement to cater for Provincial Patronage Guarantee shortfall.

5.2 Changes to Conditional grant

TABLE 9.15: 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 2	642 142				45 491		45 491	687 633
Provincial Roads Maintenance	632 172				45 491		45 491	677 663
Expanded Public Works Programme (EPWP)	9 970							9 970
Programme 3	2 599 291							2 599 291
Public Transport Operations Grant (PTOG)	2 599 291							2 599 291
Total changes in conditional grants	3 241 433				45 491		45 491	3 286 924

Additional National funding: R45 million

The department is allocated an additional amount of R45 million within the Maintenance sub-programme to augment the infrastructure budget for the outsourced routine maintenance class 1&2 for presidential job creation on rural routes.

5.3 Changes to Infrastructure

Please refer to the 2020/21 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 10**DEPARTMENT OF COMMUNITY SAFETY**

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	930 726	899 448	(31 278)	
of which:				
Current payments	844 327	790 742	(53 585)	
Transfers and subsidies	4 096	50 396		46 300
Payments for capital assets	82 303	58 310	(23 993)	
Payment for financial assets				
Executive authority	MEC for Community Safety			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures.

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

Table 10.1: DEPARTMENT OF COMMUNITY SAFETY

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		
1. Administration	164 826	(6 957)		(10 000)			(16 957)	147 869
2. Provincial Secretariat For Police Services	239 252	(5 949)		(4 000)			(9 949)	229 303
3. Traffic Management	526 648	(29 179)	5 533	14 000		5 274	(4 372)	522 276
Total for Programmes	930 726	(42 085)	5 533			5 274	(31 278)	899 448

Economic classification	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		
Current payments		844 327	(42 085)		(11 500)			(53 585)	790 742
Compensation of employees		677 700	(40 583)					(40 583)	637 117
Salaries & wages		548 761	(37 564)		62 310			24 746	573 507
Social contribution		128 939	(3 019)		(62 310)			(65 329)	63 610
Goods and services		166 627	(1 502)		(11 500)			(13 002)	153 625
Transfers and subsidies		4 096			46 300			46 300	50 396
Provinces and municipalities		1 245			(1 075)			(1 075)	170
Departmental agencies and accounts					43 300			43 300	43 300
Non-profit institutions									
Households		2 851			4 075			4 075	6 926
Payments for capital assets		82 303		5 533	(34 800)		5 274	(23 993)	58 310
Buildings and other fixed structures		30 000			(8 000)			(8 000)	22 000
Machinery and equipment		52 303		5 533	(26 800)		5 274	(15 993)	36 310
Software and other intangible assets									
Payments for financial assets									
Thefts & Losses									
Total economic classification		930 726	(42 085)	5 533			5 274	(31 278)	899 448

The 2020-21 budget is reduced by a net amount of R31.3 million to an adjusted appropriation of R899.4 million mainly due a surrender of budget from 'Compensation of Employees' that was meant for Improved Conditional of Services (ICS). This is a result of the country's fiscal consolidation stance that has done away with ICS to address debt which is spiraling out of control. The net downward adjustment is explained in the paragraph hereunder.

The total surrender of R42.1 million also includes an amount of R1.5 million top-sliced from the department's budget to reimburse the Gauteng Department of Health for expenditure incurred on the procurement of protective personal equipment (PPE) on behalf of the department. Furthermore, an amount of R5.5 million is rolled over for the settlement of g-fleet accrual and R5.3 million is reallocated to the department to reimburse it for expenditure it incurred on behalf of other organs of state in the previous financial year.

Funds are also shifted within and between items and programmes to ease budget pressures emerging from the COVID-19 lockdown regulations. Therefore, R14 million is reprioritized to Programme 3: Traffic Management to provide for the placement and appointment of 133 additional traffic law officers in the Public Transport Inspectorate which will assist the department in reducing road fatalities in the province.

Funds are also shifting within goods and services to raise awareness, mobilize, and educate community members on gender based violence (GBV) in partnership with media houses and to pay stipends to GBV brigades that are deployed to the communities for door-to-door visits.

An amount of R43.3 million is reprioritised to transfers and subsidies to procure motor vehicles which will be donated to South African Police Services (SAPS) to increase police visibility and to carry out GBV activities.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 10.2: PROGRAMME 1: ADMINISTRATION

R Thousand	Main Appropriation	2020/21 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	10 321			3 012			3 012	13 333
2. Office Of The HOD	16 822			(3 012)			(3 012)	13 810
3. Financial Management	33 715	(1 116)		(3 000)			(4 116)	29 599
4. Corporate Services	88 977	(5 459)		(7 000)			(12 459)	76 518
5. Legal	6 092	(382)					(382)	5 710
6. Security	8 899							8 899
Total for Programmes	164 826	(6 957)		(10 000)			(16 957)	147 869

Economic classification	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		
Current payments	162 096	(6 957)		(10 200)			(17 157)	144 939
Compensation of employees	130 118	(5 455)		(10 000)			(15 455)	114 663
Salaries & wages	115 247	(4 637)		(7 414)			(12 051)	103 196
Social contribution	14 871	(818)		(2 586)			(3 404)	11 467
Goods and services	31 978	(1 502)		(200)			(1 702)	30 276
Transfers and subsidies								
Provinces and municipalities								
Households								
Payments for capital assets	2 730			200			200	2 930
Machinery and equipment	2 730			200			200	2 930
Software and other intangible assets								
Payments for financial assets								
Thefts & Losses								
Total economic classification	164 826	(6 957)		(10 000)			(16 957)	147 869

TABLE 10.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(18 349)		8 149
Compensation of employees	Reprioritisation of funds due to the delay in the filling of vacant posts as a result of the lockdown.	(14 618)	Funds allocated to align to the approved departmental structure.	4 618
Goods and services	Fund shifted, due to savings realised as a result lockdown regulations.	(3 731)	Budget made available for payment of software licence and to defray excess expenditure incurred on staff development.	3 531
Interest and rent on land				
Transfers and subsidies				
Provinces and municipalities				
Households				
Payments for capital assets				200
Buildings and other fixed structures				
Machinery and equipment			Budget is allocated to fund the capital portion of finance lease with G-fleet.	200
Payments for financial assets				
Total economic classification		(18 349)		8 349

Function Shifts, Surrenders and Suspensions: R7 million

The department is surrendering a total amount of R7 million, of which R5.5 million is from compensation of employees to curb the growth in the public sector wage bill and R1.5 million is to reimburse the Gauteng Department of Health for the expenditure it incurred on the procurement of PPE on behalf of the department.

Virements and shifts

An amount of R10 million is shifted from the item, compensation of employees due to delays in filling vacant posts as a result of the COVID-19 lockdown regulations. Funds are also shifted within the programme from slow spending items impacted by the lockdown restrictions to defray excess expenditure on other items, to align to the approval departmental structure, to cater for the increase in the number of employees awarded with bursaries and to pay for software licenses.

Programme 2: Provincial Secretariat for Police Service

TABLE 10.4: PROGRAMME 2: PROVINCIAL SECRETARIAT FOR POLICE SERVICE

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		
1. Programme Support	2 847	(151)		(500)			(651)	2 196
2. Policy And Research	6 861	(328)					(328)	6 533
3. Monitoring And Evaluation	67 085	(1 678)		(3 500)			(5 178)	61 907
4. Safety Promotion	106 268	(2 657)					(2 657)	103 611
5. Community Police Relations	56 191	(1 135)					(1 135)	55 056
Total for Programmes	239 252	(5 949)		(4 000)			(9 949)	229 303

Economic classification	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		
Current payments		188 278	(5 949)		(15 300)			(21 249)	167 029
Compensation of employees	86 311		(5 949)		(4 000)			(9 949)	76 362
Salaries & wages	75 789		(3 748)		(2 720)			(6 468)	69 321
Social contribution	10 522		(2 201)		(1 280)			(3 481)	7 041
Goods and services	101 967				(11 300)			(11 300)	90 667
Transfers and subsidies		1 816			46 300			46 300	48 116
Provinces and municipalities	1 075				(1 075)			(1 075)	
Departmental agencies and accounts					43 300			43 300	43 300
Households	741				4 075			4 075	4 816
Payments for capital assets		49 158			(35 000)			(35 000)	14 158
Buildings and other fixed structures	10 000				(8 000)			(8 000)	2 000
Machinery and equipment	39 158				(27 000)			(27 000)	12 158
Software and other intangible assets									
Payments for financial assets									
Thefts & Losses									
Total economic classification		239 252	(5 949)		(4 000)			(9 949)	229 303

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		(36 199)		20 899
Compensation of employees	Reprioritisation of funds due to the delay in the filling of vacant posts as a result of the lockdown.	(4 000)		
Goods and services	Realignment of GBV budget in line with the revised activities, such as the procurement of vehicles and the deployment of GBV brigades around Gauteng. Funds shifted to ease spending pressures on other items within the Programme.	(32 199)	Budget is allocated to raise awareness, mobilize, and educate community members on Gender Based Violence in partnership with media houses. Funds made available for payment of stipends to GBV brigades that are deployed in the communities to do door-to-door visits to create awareness of the service being provided by the department on GBV.	20 899
Transfers and subsidies		(1 075)		47 375

Economic classification	Motivation	From	Motivation	To
Provinces and municipalities	Funds are shifted since the payment for rates and taxes will be made by Gauteng Department of Infrastructure Development (DID).	(1 075)	Budget is allocated towards procurement of motor vehicles which will be donated to South African Police Services (SAPS) to increase police visibility and to carry out GBV activities.	43 300
Departmental agencies and accounts				
Households				
Payments for capital assets		(37 000)		2 000
Machinery and equipment	The budget is reclassified within sub-programme: Monitoring and Evaluation from machinery and equipment to transfers and subsidies based on the decision taken to procure and donate the vehicles to SAPS.	(29 000)	Budget is allocated to fund the capital portion of the finance lease with g-fleet.	2 000
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(74 274)		70 274

Function Shifts, Surrenders and Suspensions: R5.9 million

An amount of R5.9 million is surrendered from the programme in support of fiscal consolidation through a reduction in the growth of the public sector wage bill.

Virements and shifts

An amount of R4 million is shifted from the programme due to the delays in filling vacant post as a result of the COVID-19 lockdown regulations. An amount of R70 million is reprioritised within the programme to raise awareness, mobilize, and educate community members on GBV in partnership with media houses. Provision also made for the payment of stipends to GBV brigades who are deployed to the communities and 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. Of the total amount of R70 million, R43.3 million will be used for the procurement of vehicles for SAPS for the purposes outlined above.

Programme 3: Traffic Management

TABLE 10.6: PROGRAMME 2: TRAFFIC MANAGEMENT

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		
1. Traffic Law Enforcement	350 991		5 533	(102 615)		5 274	(91 808)	259 183
2. Special Services	32 948			(14 737)			(14 737)	18 211
3. Public Transport Inspectorate	78 319	(29 179)		177 348			148 169	226 488
4. Road Safety Promotion	64 390			(45 996)			(45 996)	18 394
Total for Programmes	526 648	(29 179)	5 533	14 000		5 274	(4 372)	522 276

Economic classification	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		
Current payments	493 953	(29 179)		14 000			(15 179)	478 774
Compensation of employees	461 271	(29 179)		14 000			(15 179)	446 092
Salaries & wages	357 725	(29 179)		72 444			43 265	400 990
Social contribution	103 546			(58 444)			(58 444)	45 102
Goods and services	32 682							32 682
Transfers and subsidies	2 280							2 280
Provinces and municipalities	170							170
Households	2 110							2 110
Payments for capital assets	30 415		5 533			5 274	10 807	41 222
Machinery and equipment	10 415		5 533			5 274	10 807	21 222
Payments for financial assets								
Thefts & Losses								
Total economic classification	526 648	(29 179)	5 533	14 000		5 274	(4 372)	522 276

TABLE 10.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: TRAFFIC MANAGEMENT

Economic classification	Motivation	From	Motivation	To
Current payments		(176 792)		190 792
Compensation of employees	Funds are shifted to align to the approved departmental structure as all contractor workers under the sub-programmes: Traffic Law Enforcement, Special Services and Road Safety Promotion is moved to Public Transport Inspectorate.	(163 348)	Funds are reprioritised to provide for the appointment and placement of 133 additional traffic officers under sub-programme: Public Transport Inspectorate.	177 348
Goods and services	The budget was initially allocated to lease the pound facility which has been put on hold this financial year due to COVID-19. Funds are shifted to prioritise the contractual obligations such as G-fleet.	(13 444)	Funds shifted to defray excess expenditure to settle contractual obligation such as g-fleet as result of 133 additional traffic officers in line with the approved departmental structure. Budget is made available to procure infringement books for traffic law enforcement.	13 444
Transfers and subsidies				
Provinces and municipalities				
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		(176 792)		190 792

Function Shifts, Surrenders and Suspensions: R29.2 million

An amount of R29.2 million is surrendered from the item, compensation of employees in support of fiscal consolidation through curbing the growth of the public sector wage bill.

Provincial rollovers: R5.5 million

An amount of R5.5 million is rolled over from the previous financial year exclusively to settle the accrual on the G-fleet account.

Additional provincial funding: R5.3 million

An amount of R5.3 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.

Virements and shifts

The programme receives an amount of R14 million from Programme 1: Administration and Programme 2: Provincial Secretariat for Police Service for the appointment and placement of 133 additional traffic officers in the Public Transport Inspectorate. The programme is further reprioritizing R177 million internally mainly to cater for tools of trade for the additional 133 traffic officers, to defray excess expenditure incurred on the payment of overtime for extra hours worked by traffic law officers during lockdown and to settle an accrual on the G-fleet account.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 10.8: EXPENDITURE 2018/19 AND PRELIMINARY EXPENDITURE 2019/20: COMMUNITY SAFETY

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		% change 19/20 - 20/21 Apr-Sept
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Apr 2020 - Sept 2020				
R thousand							
1. Administration	160 258	69 097	150 858	94%	147 869	69 600	1%
2. Provincial Secretariat for Police Services	165 266	60 504	155 326	94%	229 303	64 660	7%
3. Traffic Management	452 516	218 231	458 436	101%	522 276	359 957	65%
Total	778 040	347 832	764 620	98%	899 448	494 217	42%

Current payments	728 192	324 263	712 285	98%	790 742	449 403	39%
Compensation of employees	577 433	255 910	561 971	97%	637 117	374 757	46%
Goods and Services	150 759	68 353	150 314	100%	153 625	74 646	9%
Interest and rent on land							
Transfers and subsidies	5 340	1 687	5 248	98%	50 396	2 094	24%
Provinces and municipalities	1 064	244	932	88%	170		(100%)
Households	4 276	1 443	4 316	101%	6 926	2 094	45%
Payments for capital assets	44 415	21 857	46 648	105%	58 310	42 720	95%
Machinery and equipment	44 360	21 857	45 156	102%	36 310	42 720	95%
Software and other intangible assets	55		55	100%			
Payments for financial assets	93	25	439	472%			(100%)
Total	778 040	347 832	764 620	98%	899 448	494 217	42%

Expenditure trends for 2019/20

As at the end of March 2020, the department underspent by R13.4 million, spending a total of R764.6 million which translate to 98 per cent of its adjusted appropriated budget. A rollover and reallocation of the unspent amount was applied in line with the PFMA.

Programme 1: Administration

The programme spent 94 per cent of the adjusted appropriated budget to render support services to all core programmes within the department.

Programme 2: Provincial Secretariat for Police Service

The programme spent 94 per cent of the adjusted appropriated budget with key programmes being victim empowerment, safety awareness campaigns, police oversight and community policy relations.

Programme 3: Traffic Management

The programme spent 101 per cent of its adjusted appropriated budget. This is due to expenditure incurred on behalf of other organs of state with these funds tied up in working capital (receivables). These funds are reallocated in this mid-year adjustment budget process.

Preliminary expenditure trends for the first half of 2020/21

Programme 1: Administration

Programme 1: Administration spent R69.6 million which is one per cent more when compared with the expenditure in the same period of the previous financial year where spending.

Programme 2: Provincial Secretariat for Police Service

This programme spent R64.6 million as at the end of September 2020 which is 7 per cent more than the comparative figure in the previous financial year. The accelerated spending is due to deployment of community patrollers during the lockdown for managing queues in malls, shopping centres and other hotspots where challenges with overcrowding may be identified.

Programme 3: Traffic Management

Traffic Management has spent a total of R360 million as at the end of September 2020 which is comparatively higher by 65 per cent and this is attributable to excess expenditure incurred by the department on the payment of overtime to traffic law officers who worked extra hours during the lockdown and the payment of the G-fleet accrual from the previous financial year.

4. Departmental Receipts

TABLE 10.9: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary Receipts		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
Tax receipts							
Liquor licences							0%
Sales of goods and services other than capital assets	1 433	667	1 352	94%	1 421	653	(2%)
Transfers received							0%
Fines, penalties and forfeits	24 897	14 199	30 414	122%	25 707	10 193	(28%)
Interest, dividends and rent on land			2				0%
Sales of capital assets		2 121	2 701			41	(98%)
Financial transactions in assets and liabilities	9 450	3 771	6 860	73%	10 489	724	(81%)
Total	35 780	20 758	41 329	115.5%	37 617	11 611	(44.06%)

Revenue trends for the first half of the 2020/21 financial year

The table above shows the contribution of each revenue source to the total revenue generated as at end of 30 September 2020.

In 2020/21 financial year, the department estimates to collect R37.6 million. The target remains the same, thus, there are no adjustments. However, overall revenue collection has declined compared to the same period last financial year due to the lock-down regulations as result of COVID-19 pandemic.

5. Changes To Transfers and Subsidies, Conditional Grants and Infrastructure

5.1 Changes to transfers and subsidies

TABLE 10.10: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

R Thousand	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: Provincial	Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
Programme 1								
Name of transfer payment 7								
Programme 2	1 816			46 300			48 116	
Provinces and municipalities	1 075			(1 075)				
Departmental agencies and accounts				43 300			43 300	
Programme 3	2 280						2 280	
Provinces and municipalities	170						170	
Departmental agencies and accounts								
Total changes in conditional Name of transfer payments	4 096			46 300			50 396	

Virements and shifts

An amount of R46.3 million is reprioritised towards 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.

5.2 Changes to Conditional grant

Not applicable

5.1 Changes to Infrastructure

Not applicable.

VOTE 11**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	964 473	994 713		30 240
Current payments	928 502	930 846		2 344
Transfers and subsidies	6 511	9 361		2 850
Payments for capital assets	29 460	54 506		25 046
Payment for financial assets				
Executive authority	MEC for Agriculture and Rural Development			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 11.1: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Programmes	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		
R thousand								
1. Administration	259 861	(12 870)		4 000			(8 870)	250 991
2. Agriculture and Rural Development	423 065	(11 571)	18 404	(4 000)	(1 274)		1 559	424 624
3. Environmental Affairs	281 547	(13 547)				51 098	37 551	319 098
Total for Programmes	964 473	(37 988)	18 404		(1 274)	51 098	30 240	994 713

	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		
Current payments	928 502	(37 028)	18 404	(28 856)	(1 274)	51 098	2 344	930 846
Compensation of employees	554 283	(36 282)					(36 282)	518 001
Salaries & wages	478 979	(31 797)		(4 828)			(36 625)	442 354
Social contribution	75 304	(4 485)		4 828			343	75 647
Goods and services	374 219	(746)	18 404	(28 856)	(1 274)	51 098	38 626	412 845
Transfers and subsidies	6 511			2 850			2 850	9 361
Provinces and municipalities								
Departmental agencies and accounts	1 411			12			12	1 423
Higher education institutions	3 465			3 000			3 000	6 465
Public corporations and private enterprises								
Households	1 635			(162)			(162)	1 473
Payments for capital assets	29 460	(960)		26 006			25 046	54 506
Buildings and other fixed structures	2 224	(731)					(731)	1 493
Machinery and equipment	27 236	(229)		26 006			25 777	53 013
Payments for financial assets								
Thefts & Losses								
Total economic classification	964 473	(37 988)	18 404		(1 274)	51 098	30 240	994 713

The adjustments made to this department are mainly to effect 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 is adjusted upwards from R964 473 million to R994 713 million, increasing by net amount of R30 million. The amount comprises of surrender of R33. 2 million from Compensation of employees to support the government initiative to contain the growth of the public-sector wage bill within affordable levels, the surrenders include conditional grant budget cuts amounting to R1,2 million due to delays in implementation of projects.

The department received an additional funding of R51 million to address waste management and environmental pollution in Emfuleni Local Municipality by providing basic waste management such as household collection, illegal dumping clearance and recycling.

An amount of R18.4 million is approved as a rollover for Comprehensive Agricultural Support Programme (CASP) grant that will fund the following projects: supply and delivery of production inputs, supply and delivery farming equipment, drilling and testing of boreholes.

Furthermore, an amount of R4.5 million is surrendered from Infrastructure Development Management System (IDMS) capacity development due to delays in implementation of projects: maintenance of the tourism facilities infrastructure at Abe Bailey Nature Reserve, upgrading and additions for Southern Water line at Suikerbosrand nature reserve under buildings and other fixed structures.

A total budget of R4 million is shifted from Agriculture programme due to cancellation of Agri food-fest event, Nema Ephepha awards and planned conferences in compliance with COVID-19 restriction and regulations.

Due to shifts, the budget for goods and services is reduced by R30 million because of budget adjustments for mobile pack houses misallocated as farming supplies. In addition, abattoirs equipment, entrepreneurial development and market access has been cancelled due to delays in implementation of projects.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 11.2: PROGRAMME 1: ADMINISTRATION

Sub-programmes	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		
R thousand								
1. Office of the Mec	6 627	(257)					(257)	6 370
2. Senior Management	30 210	(1 800)		4 000			2 200	32 410
3. Corporate Services	94 721	(4 165)					(4 165)	90 556
4. Financial Management	128 303	(6 648)					(6 648)	121 655
Total for Programmes	259 861	(12 870)		4 000			(8 870)	250 991
Economic classification	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		
R thousand								
Current payments	251 125	(12 641)		4 851			(7 790)	243 335
Compensation of employees	160 883	(11 994)					(11 994)	148 889
Salaries & wages	134 608	(10 539)		(1 726)			(12 265)	122 343
Social contribution	26 275	(1 455)		1 726			271	26 546
Goods and services	90 242	(647)		4 851			4 204	94 446
Transfers and subsidies	2 161			(290)			(290)	1 871
Provinces and municipalities								
Departmental agencies and accounts	1 411			12			12	1 423
Households	750			(302)			(302)	448
Payments for capital assets	6 575	(229)		(561)			(790)	5 785
Buildings and other fixed structures								
Machinery and equipment	6 575	(229)		(561)			(790)	5 785
Payments for financial assets								
Thefts & Losses								
Total economic classification	259 861	(12 870)		4 000			(8 870)	250 991

TABLE 11.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(10 937)		15 788
Compensation of employees	Funds are shifted due to delays in recruitment process.	(5 280)	Funds are made available for salaries and wages for internship programme.	5 280
Goods and services	Funds are shifted from training and development, venues and facilities, catering departmental activities, travel and subsistence due to cancellation of stakeholder engagements services in compliance with COVID-19 regulations.	(5 657)	Funds are allocated for advertisement cost to promote work of the department. Provision is made for bursaries for officials, decontamination of office buildings and procurement of sanitizers against COVID-19 pandemic.	10 508
Interest and rent on land				
Transfers and subsidies		(512)		222
Provinces and municipalities				
Departmental agencies and accounts			Funds are allocated for transfer to CATHSETA and AGRISSETA payments for skills development.	12
Non-profit institutions				
Households	Funds are shifted due to fewer requests processed for injury on duty benefits.	(512)	Funds are allocated for leave gratuity benefits.	210
Payments for capital assets		(1 727)		1 166
Buildings and other fixed structures				
Machinery and equipment	Funds are shifted from procurement of x-ray machines and cleaning equipment that has been suspended due to COVID-19 disruptions.	(1 727)	Funds are allocated for procurement of laptops for officials.	1 166
Payments for financial assets				
Total economic classification		(13 176)		17 176

Function Shifts, Surrenders and Suspensions: R12.8 million

A total amount of R11.9 million is surrendered from Compensation of employees in support of the government initiative to contain the growth of the public-sector wage bill within affordable levels. In addition, an amount of R900 000 is also surrendered from IDMS capacity building due to delays in recruitment process.

Virements and shifts

A total virement amount of R4 million was shifted to the Senior Management for finalization of forensic investigations that will empower the Accounting Officer to implement consequence management in facilitating the condonation of irregular expenditure incurred in prior years. Funds are allocated to cover advertisement cost to promote work for the department, provision is made for bursaries for officials, decontamination of office buildings and procurement of sanitizers against COVID-19 pandemic and, to cover over expenditure related to leave gratuity.

Programme 2: Agriculture and Rural Development

TABLE 11.4: PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

Sub-programmes	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		
R thousand								
1. Sustainable Resource Management	4 787				(57)		(57)	4 730
2. Farmer Support And Development	193 851	(4 966)	18 404		(1 217)		12 221	206 072
3. Veterinary Services	110 728	(4 570)					(4 570)	106 158
4. Research And Technology Development Services	69 998	(1 089)		(4 000)			(5 089)	64 909
5. Agricultural Economics Services	33 378	(554)		1 028			474	33 852
6. Rural Development Coordination	10 323	(392)		(1 028)			(1 420)	8 903
Total for Programmes	423 065	(11 571)	18 404	(4 000)	(1 274)		1 559	424 624
Economic classification								
R thousand								
Current payments	416 541	(11 571)	18 404	(34 025)	(1 274)		(28 466)	388 075
Compensation of employees	187 241	(11 571)					(11 571)	175 670
Salaries & wages	164 496	(10 165)		(3 000)			(13 165)	151 331
Social contribution	22 745	(1 406)		3 000			1 594	24 339
Goods and services	229 300		18 404	(34 025)	(1 274)		(16 895)	212 405
Transfers and subsidies	3 764			3 140			3 140	6 904
Departmental agencies and accounts								
Higher education institutions	3 465			3 000			3 000	6 465
Households	299			140			140	439
Payments for capital assets	2 760			26 885			26 885	29 645
Buildings and other fixed structures								
Machinery and equipment	2 760			26 885			26 885	29 645
Payments for financial assets								
Total economic classification	423 065	(11 571)	18 404	(4 000)	(1 274)		1 559	424 624

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		(41 851)		7 826
Compensation of employees	Funds are shifted due to delays in recruitment process.	(3 000)	Funds are allocated for social contribution benefits.	3 000
Goods and services	Funds are shifted from procurement of gift and promotional items for Nema Ephepha awards event that was cancelled due to COVID-19 restrictions and regulations. Funds are also shifted from Inventory medicine due to reduction in demand for animal medicine and budget for mobile pack houses misallocated as farming supplies.	(38 851)	Funds are allocated for Veterinary Patient and Clinical Management System to ensure efficient data collection and security services for agri-parks.	4 826
Interest and rent on land				
Transfers and subsidies				3 140
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions			Funds are allocated for training and development of farmers.	3 000
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households			Funds are allocated for leave gratuity benefits.	140
Payments for capital assets				26 885
Buildings and other fixed structures				
Machinery and equipment			Funds are allocated for mobile abattoirs equipment, procurements of mobile pack houses and replacement of laptops.	26 885
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(41 851)		37 851

Function Shifts, Surrenders and Suspensions: R12.8 million

Funds surrendered equate to R12.8 million, of which, R11.5 million is from Compensation of employees which is in support of the government initiative to contain the growth of the public-sector wage bill within affordable levels. The balance of R1.2 million is from conditional grants due to delays in implementation of projects.

Roll-over: R18.4 million

A total amount of R18.4 million is approved for Comprehensive Agricultural Support Programme (CASP) grant that will fund the following projects: supply and delivery of production inputs, supply and delivery farming equipment, and drilling and testing of boreholes.

Virements and shifts

The Research and Technology Development Services programme budget is reduced by an amount of R4 million due to cancellation of the Agri food festival, Nema Ephepha events and conferences due to COVID-19 rules and regulations, funds are redirected to the investigation of irregular expenditure.

Furthermore, funds are allocated towards the following: poultry and meat mobile abattoirs equipment; procurement of mobile pack houses; and replacement of laptops. Provision is also made for training and development of farmers; security services for Agriparks; and the Veterinary Patient and Clinical Management System which will ensure efficient data collection.

Programme 3: Environmental Affairs

TABLE 11.6: PROGRAMME 3: ENVIRONMENTAL AFFAIRS

Sub-programmes	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
R thousand							
1. Environmental Policy, Planning And Coordination	28 229	(1 524)				(1 524)	26 705
2. Compliance And Enforcement	46 428	(2 719)				(2 719)	43 709
3. Environmental Quality Management	58 505	(2 881)		(1 093)		51 098	105 629
4. Biodiversity Management	103 741	(5 305)		350		(4 955)	98 786
5. Environmental Empowerment Services	44 644	(1 118)		743		(375)	44 269
Total for Programmes	281 547	(13 547)				51 098	319 098

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
R thousand							
Current payments	260 836	(12 816)		318		51 098	299 436
Compensation of employees	206 159	(12 717)				(12 717)	193 442
Salaries & wages	179 875	(11 093)		(102)		(11 195)	168 680
Social contribution	26 284	(1 624)		102		(1 522)	24 762
Goods and services	54 677	(99)		318		51 317	105 994
Transfers and subsidies	586						586
Households	586						586
Payments for capital assets	20 125	(731)		(318)		(1 049)	19 076
Buildings and other fixed structures	2 224	(731)				(731)	1 493
Machinery and equipment	17 901			(318)		(318)	17 583
Payments for financial assets							
Thefts & Losses							
Total economic classification	281 547	(13 547)				51 098	319 098

TABLE 11.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASIFICATION: PROGRAMME 3: ENVIRONMENTAL AFFAIRS

Economic classification	Motivation	From	Motivation	To
Current payments		(10 052)		10 370
Compensation of employees	Funds are shifted due to delays in recruitment processes.	(102)	Funds are allocated for social contributions	102
Goods and services	Funds are shifted from BkB cleaning campaigns due to delays in implementation of projects, funds are also shifted from hiring of venues due to cancellation of stakeholder engagements in compliance with COVID-19 regulations.	(9 950)	Funds are for casual labourer's stipend; rental and hiring of TLBs and trucks for clean-ups campaigns; procurement of waste recyclers equipment's as well as clearing of waste at illegal dumping sites.	10 268
Interest and rent on land				
Transfers and subsidies				
Provinces and municipalities				
Non-profit institutions				
Households				
Payments for capital assets		(800)		482
Buildings and other fixed structures				
Machinery and equipment	Funds are shifted from procurement of trucks, tractors and vehicles due to delays in implementation of projects as a result of COVID-19 lockdown.	(800)	Funds are allocated for procurement of laptops, printers and projectors for officials.	482
Software and other intangible assets				
Payments for financial assets				
Total economic classification		(10 852)		10 852

Surrenders: R13.5 million

An amount of R12, 7 million is surrendered from Compensation of employees in support of the government initiative to contain growth of the public-sector wage bill within affordable levels. An amount of R830 thousand is reduced from infrastructure projects: The tourism facilities at Abe Bailey nature reserve, upgrading and additions of Southern Water line at Suikerbosrand nature reserve under buildings and other fixed structures.

Additional provincial funding: R51 million

An amount of R12.7 million is surrendered from Compensation of employees in support of the government initiative to contain growth of the public-sector wage bill within affordable levels. Furthermore, an amount of R830 thousand is reduced from the following infrastructure projects: tourism facilities at Abe Bailey nature reserve; upgrading and additions of Southern Water line at Suikerbosrand nature reserve.

Virements and shifts

An amount R10.8 million is shifted within the programme from BkB cleaning campaigns due to delays in the implementation of projects. Funds are also shifted from hiring of venues due to the cancellation of stakeholder engagements in compliance with COVID -19 regulations.

Furthermore, funds are redirected to the casual labourers stipend; 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.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 11.8: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
1. Administration	250 741	106 127	254 449	101%	250 991	130 739	(48)%
2. Agriculture and Rural Development	441 463	154 654	371 993	84%	424 623	131 362	(69)%
3. Environmental affairs	300 468	106 592	327 896	109%	319 098	124 680	(61)%
Total	992 672	367 373	954 338	96%	994 712	386 781	5%
Current payments	921 405	361 889	890 064	97%	930 845	361 861	(125)%
Compensation of employees	525 117	236 876	533 586	102%	518 000	260 330	(50)%
Goods and Services	396 288	125 013	356 478	90%	412 845	101 531	(75)%
Interest and rent on land							
Transfers and subsidies	9 826	3 709	8 823	90%	9 361	1 919	
Provinces and municipalities	50		3	6%			
Departmental agencies and accounts	1 663		1 343	81%	1 423	1 423	0%
Higher education institutions	3 734	3 120	4 105	110%	6 465		(100)%
Public corporations & private enterprises	1 533			0%			
Households	2 846	589	3 372	118%	1 473	496	(66)%
Payments for capital assets	61 441	1 750	55 436	90%	54 506	23 001	1214%
Buildings and other fixed structures	13 026	30	2 460	19%	1 493		(100)%
Machinery and equipment	48 415	1 720	52 976	109%	53 013	23 001	(57)%
Payments for financial assets		25	15				
Total	992 672	367 373	954 338	96%	994 712	386 781	5%

Expenditure trends for 2019/20

The department was allocated a budget of R992 million during the 2019/20 financial year, of this amount, R954 million was spent by the end of financial year. The details of spending per programme are as follows:

Administration (Programme) spent R254 million or 101 per cent of the budget mainly driven by recruitment of infrastructure professionals to improve the planning and delivery of infrastructure projects.

Agriculture and Rural Development Programme spent R372 million or 84 per cent. The underspending is due to delays in implementation of infrastructure projects.

The overspending in the Environmental Affairs Programme by 9 per cent was due to expenditure for upgrading and rehabilitation of the departmental nature reserves.

Compensation of Employees

The department spent R533 million which is equivalent to 102 percent of the allocated budget. Overspending was due to filling of critical posts, which are OSD related, early retirement pay-outs and implementation of arbitration awards, hence budget shortfall.

Goods and Services

The department spent R356 million or 90 per cent of the allocated budget. The underspending is due to delays in supply chain processes, tenders being unresponsive.

Transfers and Subsidies

The department has spent R8 million of the R9 million adjusted budget. This is equivalent to 90 per cent of the budget allocated. The expenditure incurred were transfers to higher education institutions for bursaries and internships and departmental accounts and agencies for SETAs skill development. The underspending of transfers to the Agricultural Research Council and Council for Scientific and Industrial Research (CSIR) for research projects was due to delays in finalising the Memorandum of Agreement.

Payments for Capital Assets

The department has spent R55 million of the R61 million adjusted budget allocation, which is the equivalent to 90 per cent of the budget allocated. The expenditure is mainly driven by procurement of mobile abattoirs, combined harvesters, agricultural cold trucks and for tools of trade: laptops and printers for employees. The underspending is due to cancellation of tenders and late appointment of the probity auditors to review tender process - which contributed to the delay in awarding of tenders.

Preliminary expenditure trends for the first half of 2020/21

• Compensation of Employees

The department spent R260 million of its R554 million adjusted budget translating to 47 per cent of its budget allocation. The spending is within the expected expenditure guideline in terms of straight-line budgeting. The spending excludes the performance bonuses of 2019/20 and notch progression for the 2020/21 financial year pending the court outcome.

• Goods and Services

The department spent R101 million of its R374 million adjusted budget, equivalent to 27 per cent of its budget allocation. The underspending is due to the COVID-19 pandemic interruptions, the accustomed service delivery activities and tender processes that are still unfolding.

• Transfers and Subsidies

The department has spent R1.9 million, of which R1.4 million was transferred to SETAs for skills development levy and R496 000 for leave gratuity payment.

• Payments for Capital Assets

The department has spent R23 million of its R29 million adjusted budget translating to 78 per cent of its budget allocation, of which R17 million payment relates to the assembly and installation of mobile red meat and poultry abattoirs. A significant share of the budget is for infrastructure projects that are implemented through the tender process and is still ongoing. The probity audit process and low levels of staff appointments has had a negative effect and delays on spending.

4. Departmental Receipts

TABLE 11.9: DEPARTMENTAL RECEIPTS

Department	2019/20 Audited Outcome				2020/21 Preliminary Receipts		
	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	10 195	5 881	11 814		9 742	4 618	(21)%
Transfers received							
Fines, penalties and forfeits		1 587	2 952		8 500	7 800	391%
Interest, dividends and rent on land	7	3	9		2	1	(67)%
Sales of capital assets							
Financial transactions in assets and liabilities	260	226	623	1	173	31	(86)%
Total	10 462	7 697	15 398	47%	18 417	12 450	62%

Revenue trends for the first half of 2020/21

The budget for revenue for the 2020/21 financial year has been increased by R7.8 million from R10.4 million to R18.4 million. These adjustments were due to the impact of the covid-19 revenue collection. The departmental nature reserves were not operating from the 1st of April 2020. The departmental nature reserves were opened from the 17th of August 2020 for self-drive tourists. The accommodation facilities of the nature reserves will be opened from 1st of November 2020. Therefore, the projections were adjusted to zero for both quarter 1 and 2. The S24G provisions of the National Environmental Management Act (NEMA) compliance fines were also adjusted taking into consideration that companies were not operating and not generating income therefore unable to pay the fines.

GDARD also collected more on Sales of Goods and Services due to veterinary services, export permits and entrance fees at the departmental nature reserves. The deviation of 234% on financial transactions in Assets & Liabilities was due to G-fleet auction sales of departmental vehicles.

The total revenue collected from 1 April 2020 to 30 September 2020 amounts to R 12 million which is more than the Covid-19 adjusted projections. This is due to the R7.5 million from S24G fines and penalties received from the City of Tshwane and City of Johannesburg, the revenue collection on Fines, penalties and forfeits were adjusted by R8.5 million.

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

5.1 Changes to transfers and subsidies

TABLE 11.10: CHANGES TO TRANSFERS AND SUBSIDIES

R'000	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 1	2 161			(290)			(290)	1 871
Departmental agencies and accounts	1 411			12			12	1 423
Households	750			(302)			(302)	448
Higher education institutions	3 465			3 000			3 000	6 465
Households	299			140			140	439
Programme 3	586							586
Households	586							586
Total changes in conditional Name of transfer payments	6 511			2 850			2 850	8 775

Virements and shifts

An amount of R2.9 million is allocated to higher education institutions for agriculture research agenda and training and development of farmers.

5.2 Changes to conditional grant

TABLE 11.11: CHANGES TO CONDITIONAL GRANTS

R'000	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 2	113 142				(1 274)		17 130	130 272
CASP	82 646		18 404		(911)		17 493	100 139
ILLIMA	25 709				(306)		(306)	25 403
LAND CARE	4 787				(57)		(57)	4 730
EPWP INCENTIVE								
Programme 3	2 271							2 271
EPWP INCENTIVE	2 271							2 271
Total changes in conditional grants	115 413		18 404		(1 274)		17 130	132 543

Function Shifts, Surrenders and Suspensions: R1.2 million

The total funds surrendered are disaggregated as follows:

- **Comprehensive Agricultural Support Programme**

An amount of R911 000 is reduced on agriculture production inputs due to delays in implementation of projects.

- **Illima/Letsema grant**

A total amount of R306 000 is reduced on piggery and livestock commodity improvements; thus, reducing the quantity of the provision and supply of piggery production inputs and animal feeds.

- **Land Care grant**

Budget for Land care grant was decreased by R57 000 reducing the stakeholder engagements for development of Gauteng land care Strategy, Gauteng West invasive alien plants eradication and size of hectares for bush encroachment.

Roll-overs: 18.4 million

An amount of R18.4 million is approved as a rollover for Comprehensive Agricultural Support Programme (CASP) grant that will fund the following projects: supply and delivery of production inputs, supply and delivery farming equipments, drilling and testing of boreholes.

5.3 Changes to Infrastructure

Please refer to 2020 Adjusted Estimates of Capital Expenditure (AECE).

VOTE 12**DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION**

R thousand	2020/21			
	Special Adjusted Appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	902 603	877 512	(25 091)	
of which:				
Current payments	565 982	522 221	(43 761)	
Transfers and subsidies	302 998	313 637		10 639
Payments for capital assets	33 623	41 626		8 003
Payment for financial assets		28		28
Executive authority	MEC for Sport, Arts Culture and Recreation			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 12.1 DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

Programmes	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		
R thousand								
1. Administration	162 340	(1 731)					(1 731)	160 609
2. Cultural Affairs	237 286	(14 480)		50			(14 430)	222 856
3. Library and Archives Services	267 311	(2 000)		1 364	(1 542)		(2 178)	265 133
4. Sport and Recreation	235 666	(7 572)	3 147	(1 414)	(913)		(6 752)	228 914
Total for Programmes	902 603	(25 783)	3 147		(2 455)		(25 091)	877 512
Economic classification	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		
R thousand								
Current payments	565 982	(22 663)	697	(20 340)	(1 455)		(43 761)	522 221
Compensation of employees	308 962	(19 223)		(10 533)	(1 455)		(31 211)	277 751
Salaries & wages	263 914	(17 100)		(10 366)	(1 295)		(28 761)	235 153
Social contribution	45 048	(2 123)		(167)	(160)		(2 450)	42 598
Goods and services	257 020	(3 440)	697	(9 812)			(12 555)	244 465
Interest and rent on land				5			5	5
Transfers and subsidies	302 998	(1 120)	2 450	9 309			10 639	313 637
Provinces and municipalities	173 454			(5 000)			(5 000)	168 454
Departmental agencies and accounts	39 589	(1 120)					(1 120)	38 469
Non-profit institutions	87 106		2 450	13 911			16 361	103 467
Households	2 849			398			398	3 247
Payments for capital assets	33 623	(2 000)		11 003	(1 000)		8 003	41 626
Buildings and other fixed structures	18 945	(2 000)		5 824	(1 000)		2 824	21 769
Machinery and equipment	14 189			4 779			4 779	18 968
Heritage assets								
Software and other intangible assets	489			400			400	889
Payments for financial assets				28			28	28
Total economic classification	902 603	(25 783)	3 147		(2 455)		(25 091)	877 512

The budget of the department is adjusted to appropriate rollovers, surrender funds and the reprioritise funding between and within programmes and items to ease emerging spending pressures. The appropriation is adjusted downward by a net amount of R25.1 million from a budget of R902.6 billion to an adjusted appropriation of R877.6 million. This net amount comprises of a surrenders and rollovers approved nationally and provincially of R3.1 million

The total surrender of R25.7 million, includes R2.7 million which is reduced from the infrastructure budget, R18.5 million from the compensation of employees' budget, R3 million from the budget allocated to the Kagiso Memorial and R1.1 million from the Gauteng Film Commission. Also, an amount of R440 000 suspended to the Gauteng Department of Health for expenditure incurred on the procurement of personal protective equipment (PPE) on behalf of the department.

The budget is further reduced by R2.5 million from the conditional grant allocations to fund the rescue plan for the South African Airways. Reprioritisation of budget within the vote is effected in an attempt to realise efficiencies by identifying possible savings due to slow spending amid COVID-19 to fund the departmental priorities.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 12.2: PROGRAMME 1: ADMINISTRATION

Programmes	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		
R thousand								
1. Office of the Mec	13 690			(120)			(120)	13 570
2. Corporate Services	148 650	(1 731)		120			(1 611)	147 039
Total for Programmes	162 340	(1 731)					(1 731)	160 609

Economic classification	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		
R thousand								
Current payments	156 908	(1 731)		(2 324)			(4 055)	152 853
Compensation of employees	112 555	(1 291)		(2 616)			(3 907)	108 648
Salaries & wages	95 850	(1 148)		(2 206)			(3 354)	92 496
Social contribution	16 705	(143)		(410)			(553)	16 152
Goods and services	44 353	(440)		290			(150)	44 203
Interest and rent on land				2			2	2
Transfers and subsidies	2 180			165			165	2 345
Provinces and municipalities								
Households	2 180			165			165	2 345
Payments for capital assets	3 252			2 131			2 131	5 383
Machinery and equipment	3 252			1 731			1 731	4 983
Software and other intangible assets				400			400	400
Payments for financial assets				28			28	28
Thefts & Losses				28			28	28
Total economic classification	162 340	(1 731)					(1 731)	160 609

TABLE 12.3 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(6 952)		4 628
Compensation of employees	Delays in filling vacant posts.	(2 616)		
Goods and services	Budget is reprioritized within the programme since communication is adequately funded in the core programmes. Payments of lease for fleet services is capitalised under machinery and equipment according to SCOA.	(4 336)	Provision for payment of bursaries in the last quarter of the financial year which is the beginning of the academic year. Provision for the maintenance of the leased office building.	4 626
Interest and rent on land				2
Transfers and subsidies				165
Households			Provision for the payment of leave gratuity to retired officials.	165
Payments for capital assets		(120)		2 251
Buildings and other fixed structures				
Machinery and equipment	Budget is reprioritized within the programme because this item is adequately funded.	(120)	Budget allocated to fleet services is reclassified as a capital payment, and provision for the procurement of scanning devices for asset management and office equipment for support staff.	1 851
Software and other intangible assets			Provision for additional computer software needed for asset management.	400
Payments for financial assets			Provisions for theft and losses written as irrecoverable in line with Treasury Regulations and departmental policy.	28
Total economic classification		(7 072)		7 072

Function Shifts, Surrenders and Suspensions: R1.7 million

An amount of R1.3 million is surrendered from the item, compensation of employees due to the slow progress made in filling vacant posts and in the recruiting relevant professional staff in the built environment. The remaining amount of R440 000 is surrendered for reallocation to the Gauteng Department of Health to reimburse it for the procurement of PPE on behalf of the department.

Virements and shifts

An amount of R2.6 million is shifted from compensation of employees to goods and services to make provision for staff bursaries which will be paid in the last quarter of the financial year. An amount of R2.1 million is shifted to payments for capital assets to cover the capital portion of the financial lease for government vehicles and to make provision for scanning devices, office equipment and asset management software to ensure that the departmental asset register is accurate and up to date.

Programme 2: Cultural Affairs

TABLE 12.4: PROGRAMME 2: CULTURAL AFFAIRS

Programmes	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		
R thousand								
1. Management	9 714			541			541	10 255
2. Arts & Culture	154 732	(10 480)		3 416			(7 064)	147 668
3. Heritage Resource Services	68 547	(3 000)		(3 907)			(6 907)	61 640
4. Language Services	4 293	(1 000)					(1 000)	3 293
Total for Programmes	237 286	(14 480)		50			(14 430)	222 856

Economic classification	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		
R thousand								
Current payments	166 416	(13 360)		(8 594)			(21 954)	144 462
Compensation of employees	67 609	(10 360)		(1 251)			(11 611)	55 998
Salaries & wages	59 205	(9 212)		(1 251)			(10 463)	48 742
Social contribution	8 404	(1 148)					(1 148)	7 256
Goods and services	98 807	(3 000)		(7 345)			(10 345)	88 462
Transfers and subsidies	65 969	(1 120)		3 762			2 642	68 611
Provinces and municipalities	2 654							2 654
Departmental agencies and accounts	39 589	(1 120)					(1 120)	38 469
Non-profit institutions	23 726			3 724			3 724	27 450
Households				38			38	38
Payments for capital assets	4 901			4 882			4 882	9 783
Buildings and other fixed structures				4 174			4 174	4 174
Machinery and equipment	4 901			708			708	5 609
Heritage assets								
Payments for financial assets								
Total economic classification	237 286	(14 480)		50			(14 430)	222 856

TABLE 12.5 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: CULTURAL AFFAIRS

Economic classification	Motivation	From	Motivation	To
Current payments		(15 454)		6 860
Compensation of employees	Delay in filling vacant posts.	(1 251)		
Goods and services	Funds are shifted due to the intricacies of using SCM processes for logistics of the South African Music Week (SAMW) would not be viable. Savings realised on the budget allocated for stationary supplies due to officials working remotely. Reduction is further due to the restrictions of hosting public of events and the number of attendees allowed to gather in communities.	(14 203)	Provision for the development of the Gauteng Creative Industry Strategy, arts exhibitions at the monuments and creative clusters programmes. Provision for the accruals in relation to equipment and attire procured at the Kagiso Memorial. Provision for an increase in community participation since the country has moved to lockdown level 1.	6 858
Transfers and subsidies				3 762
Non-profit institutions			To increase financial support of the significant local and community events in the arts and culture sector.	3 724
Households			Provision for the payment of leave gratuity to former employees.	38
Payments for capital assets				4 882

Economic classification	Motivation	From	Motivation	To
Buildings and other fixed structures			Provision for the back-up generator so that the building can get a fire compliance certificate which is necessary to approve occupancy of the building. Provision for the settlement of the final account at the Women's Living Heritage Monument.	4 174
Machinery and equipment			Provision for laptops and LAN and WAN network connections at the eastern corridor.	708
Payments for financial assets				
Total economic classification		(15 454)		15 504

Function Shifts, Suspensions and Surrenders: R14.5 million

The amount of R14.5 million is surrendered of which R3 million is due to slow progress in fully operationalising the Kagiso Memorial and R10 million is due to the reduction in compensation of employees to curb the growth in the public sector wage bill. In support of fiscal consolidation an amount of R1.1 million is also surrendered from the transfer payment of the Gauteng Film Commission.

Virements and shifts

An amount of R3.7 million is shifted to transfers to provide financial support to significant local and community events in the arts and culture sector. The department will enter into a memorandum of understanding with the South African Music Week to determine how the funds will be utilised in line with the relevant roles and responsibilities.

An amount of R4.1 million is shifted to buildings and other fixed structures for the final account and Completion of the Women's Living Heritage Monument and to purchase a back-up generator to ensure compliance with occupation health and safety regulations for the office building.

Programme 3: Library and Archives Services

TABLE 12.6: PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Programmes	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		
R thousand								
1. Management	7 258			325			325	7 583
2. Library Services	240 788	(2 000)		1 289	(1 542)		(2 253)	238 535
3. Archives	19 265			(250)			(250)	19 015
Total for Programmes	267 311	(2 000)		1 364	(1 542)		(2 178)	265 133

Economic classification	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		
R thousand								
Current payments	75 325			4 910	(542)		4 368	79 693
Compensation of employees	24 455			1 008	(542)		466	24 921
Salaries & wages	20 238			365	(482)		(117)	20 121
Social contribution	4 217			643	(60)		583	4 800
Goods and services	50 870			3 901			3 901	54 771
Transfers and subsidies	173 369			(4 749)			(4 749)	168 620
Provinces and municipalities	170 800			(5 000)			(5 000)	165 800
Non-profit institutions	1 900			100			100	2 000
Households	669			151			151	820
Payments for capital assets	18 617	(2 000)		1 203	(1 000)		(1 797)	16 820
Buildings and other fixed structures	16 645	(2 000)		(644)	(1 000)		(3 644)	13 001
Machinery and equipment	1 483			1 847			1 847	3 330
Total economic classification	267 311	(2 000)		1 364	(1 542)		(2 178)	265 133

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		(6 146)		11 056
Compensation of employees	Delay in filling vacant posts.	(1 000)	Provision for the appointment of auxiliary workers who are performing library services duties in the corridors	2 008
Goods and services	Delays in the operationalisation of the Provincial Archive Centre. Savings are also realised on the usage of fleet due to limited travelling. Budget is reprioritized within the programme because this item is adequately funded as some of the community libraries will be handed over to municipalities.	(5 146)	Provision for the subscription fees of the e-books in the community libraries and procurement of furniture for the Akasia Community Library once completed. Provision is also made for cell phone and data that is centralised under the Management sub-programme for auxiliary workers who are performing library services duties in the corridors.	9 047
Transfers and subsidies		(5 369)		620
Provinces and municipalities	Reduction in transfers to municipalities and to align the transfers with the gazetted amounts and transfer to Library for the Blind is cancelled since these still have reserves from the previous year.	(5 000)		
Non-profit institutions			Increase in financial support of organisations implementing reading programmes	100
Households	Restrictions on the hosting of public of events led to a reduction in gifts given to participants at community library programmes.	(369)	Provision for bursaries meant for the communities who would like to further their studies in archivists' field.	520
Payments for capital assets		(789)		1 992
Buildings and other fixed structures	The reduction is due to the delay in the community libraries infrastructure projects.	(644)		
Machinery and equipment	Budget is reprioritized within the programme because this item is adequately funded.	(145)	Capitalisation of the payment for government fleet and provision for LAN and WAN network connections at the libraries.	1 992
Payments for financial assets				
Total economic classification		(12 304)		13 668

Function Shifts, Suspensions and Surrenders: R2 million

The amount of R2 million is surrendered as the finalisation of the construction of community libraries is deferred and infrastructure projects are delayed.

Virements and shifts

The programme receives R1.4 million from Programme 4: Sport and Recreation to cater for the salaries of the auxiliary workers at the corridors.

Furthermore, R5 million is reprioritised from transfers and subsidies for the procurement goods and services on behalf of community libraries and for the procurement of furniture for the Akasia library. It also includes provision for subscriptions fees and R1 million to provide for Local Areas Network (LAN) and Wide Area Network (WAN) connections in community libraries.

Additional national funding: (R1.5 million)

The programme surrenders R1.5 million due to a reduction in the Community Library Services Grant by the national government to fund the rescue plan for the South African Airways.

Programme 4: Sport and Recreation

TABLE 12.8: PROGRAMME 4: SPORT AND RECREATION

Programmes	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		
R thousand								
1. Management	11 411			873			873	12 284
2. Sport	92 754	(3 222)	2 546	(3 132)	(913)		(4 721)	88 033
3. Recreation	110 692	(4 350)	601	(455)			(4 204)	106 488
4. School Sport	20 809			1 300			1 300	22 109
Total for Programmes	235 666	(7 572)	3 147	(1 414)	(913)		(6 752)	228 914

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
R thousand							
Current payments	167 333	(7 572)	697	(14 332)	(913)	(22 120)	145 213
Compensation of employees	104 343	(7 572)		(7 674)	(913)	(16 159)	88 184
Salaries & wages	88 621	(6 740)		(7 274)	(813)	(14 827)	73 794
Social contribution	15 722	(832)		(400)	(100)	(1 332)	14 390
Goods and services	62 990		697	(6 658)		(5 961)	57 029
Transfers and subsidies	61 480		2 450	10 131		12 581	74 061
Provinces and municipalities							
Non-profit institutions	61 480		2 450	10 087		12 537	74 017
Households				44		44	44
Payments for capital assets	6 853			2 787		2 787	9 640
Buildings and other fixed structures	2 300			2 294		2 294	4 594
Machinery and equipment	4 553			493		493	5 046
Payments for financial assets							
Total economic classification	235 666	(7 572)	3 147	(1 414)	(913)	(6 752)	228 914

TABLE 12.9 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: SPORT AND RECREATION

Economic classification	Motivation	From	Motivation	To
Current payments		(18 532)		4 200
Compensation of employees	Delay in the filling of vacant posts	(7 674)		
Goods and services	The Gauteng Sports Awards is cancelled due to the impact the lockdown had on the sporting fraternity. Cell phone and data costs are centralised under the Management sub-programme. Transport is reduced due to the restrictions on the hosting of public events and the number of attendees allowed to gather in communities.	(10 858)	Provision for the equipment and attire for the Social Cohesion Games and for the stakeholder engagements after the conclusion of the 2019/20 PSL games. Provision for the hosting of community games since the country is currently on the level 1 lockdown. Provisions for data used in the delivery of online training sessions. Provision to host e-learning training for non-employees (teachers and club coaches).	4 200
Transfers and subsidies		(1 530)		11 661
Provinces and municipalities				
Non-profit institutions	Reclassification of budget to goods and services for the Social Cohesion games. The Indigenous Games and Recreation Commission federation will only facilitate developmental programmes and the department will procure the equipment and attire.	(1 530)	Provision for major support events, the conclusion of the 2019/20 PSL games and support of the local professional boxing tournament.	11 617
Households			Provision for the payment of leave gratuity to former employees	44
Payments for capital assets				2 787
Buildings and other fixed structures			Provision for the completion of 10 Combi Courts.	2 294
Machinery and equipment				493
Payments for financial assets				
Total economic classification		(20 062)		18 648

Function Shifts, Suspensions and Surrenders: R7.6 million

A total amount of R7.6 million is surrendered from compensation of employees due to support fiscal consolidation through a reduction in the growth of the public sector wage bill.

Roll-over: R2 million

An amount of R2 million is provincially rolled over from the preceding financial year to fund the transfer to the South African Football Association (SAFA) for the Women's Soccer League.

A total of R1.1 million from national is rolled over from the preceding financial year to fund commitments on the acquisition of transport services, equipment and attire for club development and Siyadlala community programmes. Of this total amount, R450 000 will fund the transfer to the Gauteng Athletics and the Gauteng Lion Rugby Federations.

Virements and shifts

The net decrease of R7.7 million in compensation of employees is shifted due to delays in the filling of vacant posts. Included in this total is R2 million which is shifted to Programme 3: Library and Archives Services to cater for the salaries of the auxiliary workers at the corridors.

A total amount of R10 million is shifted to non-profit institutions to support sport and recreation organisations and for the conclusion of the Premier Soccer League games. An amount of R2.3 million shifts to buildings and other fixed structures for the

completion of 10 Combi Courts and R493 000 shifts to machinery and equipment for the procurement of office equipment for staff.

Additional national funding: (R913 000)

An amount of R913 000 is reduced from the programme Mass Participation and Sport Development Grant, by the national government to fund the rescue plan for the South African Airways.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 12.10: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21: SPORT, ARTS, CULTURE AND RECREATION

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Preliminary expenditure	
R thousand		Apr 2019 - Sept 2019	Apr 2019 - Mar 2020			Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
Administration	153 836	68 254	151 897	99%	160 609	65 917	(3)%
Cultural Affairs	217 809	71 434	195 616	90%	222 856	64 152	(10)%
Library and Information Services	313 284	124 564	268 059	86%	265 133	150 325	21%
Sport and Recreation	284 374	86 763	262 146	92%	228 914	53 678	(38)%
Total	969 303	351 015	877 718	91%	877 512	334 072	(5)%
Current payments	608 221	202 593	551 851	91%	522 221	171 295	(43)%
Compensation of employees	275 185	119 852	283 876	103%	277 751	132 908	11%
Goods and Services	333 035	82 739	267 965	80%	244 465	38 361	(54)%
Interest and rent on land	1	2	10		5	26	
Transfers and subsidies	290 955	120 015	287 695	99%	313 637	154 849	(45)%
Provinces and municipalities	182 153	94 378	182 153	100%	168 454	130 770	39%
Departmental agencies and accounts	37 500	15 218	37 500	100%	38 469	19 794	30%
Non-profit institutions	68 303	9 697	65 733	96%	103 467	3 953	(59)%
Households	2 999	722	2 309	77%	3 247	332	(54)%
Payments for capital assets	70 126	28 407	37 980	54%	41 626	7 900	(72)%
Buildings and other fixed structures	43 568	25 900	26 809	62%	21 769	3 673	(86)%
Machinery and equipment	19 070	2 507	9 446	50%	18 968	4 227	69%
Heritage assets	7 188		1 725				
Software and other intangible assets	300				889		
Payments for financial assets	1		192		28	28	
Total	969 303	351 015	877 718	91%	877 512	334 072	(5)%

Expenditure trends for 2019/20

The total expenditure as at the end of the 2019/20 financial year was at R877.7 million that translates to 91 per cent of the adjusted budget of R969.3 million.

Programme 1: Administration

An amount of 1.9 million was not spent due to challenges experienced with the processing Of invoices from g-fleet. The Fleet Information System (FIS) to allow automatic interface with SCOA accounts was not activated and resulted in the manual compilation of allocation attachments per vehicle, fuel consumption and cost centre, which delayed the payment process. There was also a delay with the conclusion of service level agreements and the registration of non-profit organizations that requested financial support.

Programme 2: Cultural Affairs

An amount of R22.2 million was not spent due to the delays in the execution of the Gauteng Geographic Naming Committee awareness campaign and challenges with the completion of the heritage exhibition at the Women's Living Heritage Monument.

Programme 3: Library and Information Services

The programme underspent by R45.2 million due to delays in the implementation of infrastructure and transfers to non-profit organisations. The finalization of the tender process for the procurement of library books, furniture and library trollies was delayed and some of the service level agreements with non-profit organizations in the library sector were not concluded. In terms of infrastructure, there were delays with the construction of Akasia and Rust ter Vaal community libraries due to community riots whilst Impumelelo Community Library was delayed because the designs were not approved in time. The feasibility study for 3 new community libraries was also not concluded.

Programme 4: Sport and Recreation

The programme underspent by R22.2 million which is 8 per cent of the adjusted appropriation. The underspending in this programme was caused by delays in recruitment due to the realignment of the organizational structure with the priorities of the sixth administration. Non-compliance to the PFMA by non-profit organisations and delays in the finalization of service level agreements had an impact on the processing of transfer payments. There were also delays with the construction of sport hub facilities.

Preliminary expenditure trends for the first half of 2020

The total departmental expenditure at the end of September 2020 is R334 million representing 38 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 appointment of personnel.

Programme 1: Administration

The total expenditure as at the end of September 2020 amounts to R65.9 million which is 3 per cent less than the comparative figure from the 2019/20 financial year.

Programme 2: Cultural Affairs

The department spent a total of R64.1 million at the end of September 2020/21 which is 10 per cent less when compared to the same period in the 2019/20 financial year. The slow spending is due to the delays in the appointment of staff due to the COVID-19 lockdown regulations. The lockdown also resulted in the cancellation and/or scaling down of the celebrations of national days, arts, cultural and heritage events.

Programme 3: Library and Information Services

The total expenditure as at the end of September 2020 is R150.3 million which is higher than the comparative figure of R124.6 million from the 2019/20 financial year. The accelerated spending is due to the operationalisation of community libraries including ICT infrastructure and the digitalisation of library programmes due to lockdown.

Programme 4: Sport and Recreation

The total expenditure for the first half of 2020/21 is R53.7 million which is lower by 38 per cent lower when compared to the same period in the 2019/20 financial year. The slow spending is due to the cancellation and scaling down of major sporting events which is impacted upon by the COVID-19 pandemic.

4. Departmental Receipts

TABLE 12.11: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Preliminary Receipts	
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Apr 2020 - Sept 2020			% change 19/20 - 20/21 Apr-Sept	
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	312	158	308	(1.3)%	324	156	(1.27)%
Interest, dividends and rent on land	15	1	22	46.7%	15		(100.00)%
Sales of capital assets		8	30				
Financial transactions in assets and liabilities	76	16	8	(89.5)%	17		(100.00)%
Total	403	183	368	(8.7)%	356	156	(14.75)%

Revenue trends for the first half of the 2020/21 financial year

The department's revenue appropriation for the 2020/21 financial year amounts to R356 000. As at the end of September 2020, the department recorded R156 000 as actual revenue collected. This is lower than the collection of R183 000 for the same period in the 2019/20 financial year and is due to a decline in revenue from sales of goods and services other than capital assets. This source of revenue cannot be estimated realistically as it is dependent on amongst other factors, the recovery of the previous years' expenditure.

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

5.1 Changes to transfers and subsidies

TABLE 12.12: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

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 1	2 180			165			165	2 345
Households	2 180			165			165	2 345
Programme 2	65 969	(1 120)		3 762			2 642	68 611
Provinces and municipalities	2 654							2 654
Departmental agencies and accounts	39 589	(1 120)					(1 120)	38 469
Non-profit institutions	23 726			3 724			3 724	27 450
Households				38			38	38
Programme 3	173 369			(4 749)			(4 749)	168 620
Provinces and municipalities	170 800			(5 000)			(5 000)	165 800
Non-profit institutions	1 900			100			100	2 000
Households	669			151			151	820
Programme 4	61 480		2 450	10 131			12 581	74 061
Non-profit institutions	61 480		2 450	10 087			12 537	74 017
Households				44			44	44
Total changes in transfer payments	302 998	(1 120)	2 450	9 309			10 639	313 637

Function Shifts, Suspensions and Surrenders: R1.1 million

An amount of R1.1 million is surrendered from transfers to the Gauteng Film Commission due to the reduction in compensation of employees in support of fiscal consolidation.

Roll-overs: R2.4 million

An amount of R2 million is rolled over from the province to fund transfer to the South African Football Association (SAFA) to support the Women's' Soccer League. The R450 000 is rolled over from national for transfers to Gauteng Athletics and the Gauteng Lion Rugby Federations.

Virements and shifts

An amount of R3.7 million is shifted to non-profit institutions in Programme 2: Cultural Affairs, to defray excess expenditure incurred on the payment of leave gratuities and to provide financial support to the significant local and community events in the arts and culture sector.

In Programme 3: Library and Archive Services, an amount of R5 million is reprioritised from transfers and subsidies for the procurement of goods and services on behalf of the community libraries, for the procurement of furniture for the Akasia library, for the payment of subscriptions fees and installation of LAN and WAN network connections at the community libraries which is estimated to cost R1 million.

The total amount of R10 million is shifted to non-profit institutions in Programme 4: Sport and Recreation, to support sport and recreation organisations, provide for the payment of leave gratuity and for the conclusion of Premier Soccer League (PSL) game.

5.2 Changes to conditional grants

TABLE 12.13: 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 2	2 000							2 000
EPWP Integrated Grant	2 000							2 000
Programme 3	132 081				(1 542)		(1 542)	130 539
Community Library Services Grant	132 081				(1 542)		(1 542)	130 539
Programme 4	39 827		1 147		(913)		234	40 061
Mass Sport and Recreation Participation Programme Grant 2	39 827		1 147		(913)		234	40 061
Total changes in conditional grants	173 908		1 147		(2 455)		(1 308)	172 600

Roll-over: R1.1 million

A total of R1.1 million of the Mass Sport and Recreation Participation Programme Grant is rolled over from the preceding financial year to fund the acquisition of transport services, equipment and attire for the club development and Siyadlala community programmes. This amount includes R450 000 to fund the transfer to the Gauteng Athletics and the Gauteng Lion Rugby Federations.

Additional national funding: (R2.5 million)

The national government reduced the Community Library Services grant by R1.5 million and the Mass Sport and Recreation Participation grant by R913 000 to fund the business rescue plan for the South African Airways.

5.3 Changes to infrastructure

Refer to the 2020 Adjusted Estimates of Capital Expenditure (AECE)

VOTE 13**DEPARTMENT OF e-GOVERNMENT**

R thousand	2020/21			
	Special adjusted appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 416 182	1 386 437	(29 745)	
of which:				
Current payments	1 392 702	1 320 810	(71 892)	
Transfers and subsidies	23 480	24 124		644
Payments for capital assets		41 503		41 503
Payment for financial assets				
Executive authority:	MEC for Finance			
Accounting officer:	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 13.1: DEPARTMENT OF e-GOVERNMENT

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		
1. Administration	282 298	(14 803)		(28 439)			(43 242)	239 056
2. Information Communication Technology Shared Services	999 627	(10 721)		34 104			23 383	1 023 010
3. Human Resource Services	134 257	(4 221)		(5 665)			(9 886)	124 371
Total for Programmes	1 416 182	(29 745)					(29 745)	1 386 437

Economic classification	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		
Current payments		1 392 702	(29 745)		(42 147)			(71 892)	1 320 810
Compensation of employees		492 366	(29 484)		(6 203)			(35 687)	456 679
Salaries & wages		434 017	(29 484)		(6 341)			(35 825)	398 192
Social contribution		58 349			138			138	58 487
Goods and services		900 336	(261)		(35 944)			(36 205)	864 131
Interest and rent on land									
Transfers and subsidies		23 480			644			644	24 124
Provinces and municipalities									
Higher education institutions		22 800							22 800
Households		680			644			644	1 324
Payments for capital assets					41 503			41 503	41 503
Buildings and other fixed structures									
Machinery and equipment					543			543	543
Software and other intangible assets					40 960			40 960	40 960
Payments for financial assets									
Thefts & Losses									
Total economic classification		1 416 182	(29 745)					(29 745)	1 386 437

The department's total appropriation decreases by R29.7 million from R1.416 billion to R1.386 billion during the adjustments budget process in 2020/21. The decrease is attributable to a surrender to the Provincial Revenue Fund and a suspension to the Gauteng Department of Health.

An amount of R29.5 million from compensation of employees is surrendered to the Provincial Revenue Fund to implement the government's initiative to reduce the growth of the public sector wage bill. A further R261 000 is suspended from goods and services to the Gauteng Department of Health for COVID-19 Personal Protective Equipment.

The department reprioritised an amount of R6 million from unused funds caused by unfilled filling vacant posts under compensation of employees to fund expenditure relating software and intangible assets and transfers to households. Shifts and virements within goods and services provide for SAP licences expenditure, Enterprise Content Management and the provision for IT skills training and development. An amount of R35.9 million is redirected to software licences under Programme 2: ICT Shared Services. The department allocates R543 000 to provide for the purchase of desktop and laptop computers.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 13.2: PROGRAMME 1: ADMINISTRATION

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		
1. Office of the HOD	10 255	(2 641)		149			(2 492)	7 763
2. Risk Management	4 646	(92)					(92)	4 554
3. Office of the CFO	75 518			(7 899)			(7 899)	67 619
4. Corporate Services	191 879	(12 070)		(20 689)			(32 759)	159 120
Total for Programmes	282 298	(14 803)		(28 439)			(43 242)	239 056

Economic classification	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		
R thousand								
Current payments	281 618	(14 803)		(28 982)			(43 785)	237 833
Compensation of employees	168 670	(14 542)					(14 542)	154 128
Salaries & wages	148 142	(14 542)					(14 542)	133 600
Social contribution	20 528							20 528
Goods and services	112 948	(261)		(28 982)			(29 243)	83 705
Interest and rent on land								
Transfers and subsidies	680							680
Provinces and municipalities								
Departmental agencies and accounts								
Households	680							680
Payments for capital assets				543			543	543
Buildings and other fixed structures								
Machinery and equipment				543			543	543
Software and other intangible assets								
Payments for financial assets								
Thefts & Losses								
Total economic classification	282 298	(14 803)		(28 439)			(43 242)	239 056

TABLE 13.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(61 242)		32 260
Compensation of employees				
Goods and services	Expenditure for contractors, operational expenses, travel costs and fleet services reduced to provide for the spending pressures in this programme and other programmes.	(61 242)	To provide for: the lease of office and transport equipment; the maintenance of office equipment; the purchase of tools of trade under minor assets; the communication expenditure regarding COVID-19; and the property payments.	32 260
Transfers and subsidies		(150)		150
Households	Reallocation of the centralised budget for households from Corporate Services to the other sub-programmes.	(150)	Payment of leave gratuity for former employees and claims for injury on duty in the Office of the HOD and the Office of the CFO.	150
Payments for capital assets				543
Machinery and equipment			Provision for desktops and laptops.	543
Total economic classification		(61 392)		32 953

Virements and shifts

The programme reduced expenditure for contractors, operational expenses, travel costs and fleet services reduced to provide for the spending pressures in this programme and in other programmes.

The programme shifts an amount of R543 000 from goods and services to cater for the purchase of office equipment such as desktop and laptop computers. In goods and services funds are shifted to provide for the lease of office and transport equipment, the maintenance of office equipment, the purchase of tools of trade under minor assets, the communication expenditure regarding COVID-19 and the property payments

An amount of R28.4 million is reallocated from goods and services to Programme 2: ICT Shared Services to cater for SAP licenses amounting to R22.9 million, Enterprise Content Management (ECM) amounting to R4 million and IT skills training development amounting to R1.5 million.

Function shifts, surrenders and suspensions: R14.8 million

An amount of R14.5 million is surrendered from compensation of employees to the Provincial Revenue Fund to implement the government's initiative to reduce the growth of the public sector wage bill.

The department suspends an amount of R261 000 to the Gauteng Department of Health to pay for the COVID-19 personal protective equipment that the Gauteng Department of Health procured on behalf of the department.

Programme 2: ICT Shared Services

TABLE 13.4: PROGRAMME 2: ICT SHARED SERVICES

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		
1. Applications	173 872			40 799			40 799	214 671
2. Operations	783 365	(5 642)		(6 695)			(12 337)	771 028
3. Business Alignment	39 360	(2 973)					(2 973)	36 387
4. Information Communication Technology Programme Support	3 030	(2 106)					(2 106)	924
Total for Programmes	999 627	(10 721)		34 104			23 383	1 023 010
Economic classification	Special Adjusted Appropriation	Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National	Additional Funding: Provincial	Total Adjustments	Adjusted Appropriation
Current payments	976 827	(10 721)		(7 034)			(17 755)	959 072
Compensation of employees	196 808	(10 721)		(5 737)			(16 458)	180 350
Salaries & wages	176 951	(10 721)		(5 737)			(16 458)	160 493
Social contribution	19 857							19 857
Goods and services	780 019			(1 297)			(1 297)	778 722
Interest and rent on land								
Transfers and subsidies	22 800			178			178	22 978
Higher education institutions	22 800							22 800
Households				178			178	178
Payments for capital assets				40 960			40 960	40 960
Buildings and other fixed structures								
Machinery and equipment								
Software and other intangible assets				40 960			40 960	40 960
Payments for financial assets								
Thefts & Losses								
Total economic classification	999 627	(10 721)		34 104			23 383	1 023 010

TABLE 13.5: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: ICT SHARED SERVICES

Economic classification	Motivation	From	Motivation	To
Current payments		(81 631)		74 597
Compensation of employees	Reallocation of funds for vacant posts in the organisational structure	(5 737)		
Goods and services	Re-alignment funds for SAP licences within computer services sub-item budget. Reclassification of funds for Microsoft licences from current expenditure to capital expenditure. Delayed project due to procurement reasons.	(75 894)	To reallocate funds for SAP licences to the appropriate expenditure sub-item under computer services. To fund the migration of the Fully Managed Data Centre.	74 597
Transfers and subsidies				178
Households			Payment of leave gratuity for former employees and claims for injury on duty.	178
Payments for capital assets				40 960
Software and other intangible assets			Reclassification of Microsoft licence expenditure from current expenditure to capital expenditure.	40 960
Total economic classification		(81 631)		115 735

Shifts and virements

The programme shifts R5.7 million for vacant posts from compensation of employees to fund the prioritised expenditure needs within the programme. These prioritised expenditure needs include new e-service infrastructure, the Fully Managed Data Centre (FMDC) migration and transfers to households. Transfers to households increase by R178 000 to pay for leave gratuity and the injury-on-duty.

A reduction of R75.9 million in goods and services includes the reallocation of funds for SAP licences from one sub-item of computer services to another sub-item of computer services to align expenditure and budget. This reduction also includes the reclassification of funds (R41 million) for Microsoft licences from computer services in goods and services to software and other intangible assets in payments for capital assets.

An increase of R74.6 million in goods and services includes the abovementioned reallocation of the budget for SAP licences. It also includes the funds for the FMDC received from compensation of employees. The department is migrating the FMDC into the SITA cloud infrastructure.

The programme increases due to funds received from other programmes. R28.4 million is received from goods and services in Programme 1: Administration to cater for:

- SAP licenses - R22.9 million
- Enterprise Content Management (ECM) - R4 million
- IT skills training development - R1.5 million

Another amount of R5.6 million is received from goods and services in Programme 3: Human Resource Services to cater for the expenditure of the FMDC.

Function shifts, surrenders and suspensions: R10.7 million

An amount of R10.7 million is surrendered from compensation of employees to the Provincial Revenue Fund to implement the government's initiative to reduce the growth of the public sector wage bill.

Programme 3: Human Resource Services

TABLE 13. 6: PROGRAMME 3: HUMAN RESOURCE SERVICES

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		
1. HR Chief Dir Support	3 299	(500)				(500)	2 799
2. HR Administration Cluster	28 462	(600)				(600)	27 862
3. HR Administration Cluster	31 150	(1 500)		(5 665)		(7 165)	23 985
4. HR Information Management	6 495	(400)				(400)	6 095
5. Payroll Services	29 741	(1 000)				(1 000)	28 741
6. Debt Administration	26 393	(221)				(221)	26 172
7. Injury On Duty	8 717						8 717
Total for Programmes	134 257	(4 221)		(5 665)		(9 886)	124 371

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
R thousand							
Current payments	134 257	(4 221)		(6 131)		(10 352)	123 905
Compensation of employees	126 888	(4 221)		(466)		(4 687)	122 201
Salaries & wages	108 924	(4 221)		(604)		(4 825)	104 099
Social contribution	17 964			138		138	18 102
Goods and services	7 369			(5 665)		(5 665)	1 704
Inventory: Materials and supplies							
Interest and rent on land							
Transfers and subsidies				466		466	466
Provinces and municipalities							
Departmental agencies and accounts							
Households				466		466	466
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	134 257	(4 221)		(5 665)		(9 886)	124 371

TABLE 13.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: HUMAN RESOURCE SERVICES

Economic classification	Motivation	From	Motivation	To
Current payments		(6 269)		138
Compensation of employees	Reallocation of funds towards the social contributions and transfers to households.	(604)	Provision for personnel expenditure that is not related to salaries (i.e. social contributions).	138
Goods and services	Centralisation of computer services expenditure to Programme 2: ICT Shared Services.	(5 665)		
Transfers and subsidies				466
Households			Payment of leave gratuity for former employees and payment of claims for injury on duty.	466
Payments for capital assets				
Buildings and other fixed structures				
Total economic classification		(6 269)		604

Virement and shifts

The Programme shifts an amount of R604 000 from compensation of employees to cater for the non-salary payments for employees (i.e. social contributions) amounting to R138 000 and to cater for leave gratuity and injury-on-duty expenditure amounting to R466 000 under transfers and subsidies.

An amount of R5.6 million is reallocated to Programme 2: ICT Shared Services under goods and services to cater for the FMDC migration.

Function shifts, surrenders and suspensions: R4.2 million

An amount of R4.2 million is surrendered from compensation of employees to the Provincial Revenue Fund to implement the government's initiative to reduce the growth of the public sector wage bill.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

Table 13.8: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21: e-GOVERNMENT

Department	2019/20				2020/21		
	Adjusted appropriation	Expenditure Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary expenditure		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
1. Administration	266 724	104 729	199 059	75%	239 056	94 753	(10)%
2. ICT Shared Services	1 020 896	448 348	1 031 091	101%	1 023 010	440 149	(2)%
3. Human Resource Services	126 294	59 560	119 133	94%	124 371	57 596	(3)%
Total	1 413 914	612 637	1 349 283	95%	1 386 437	592 498	(3)%
Current payments	1 324 199	546 269	1 159 519	88%	1 320 810	550 099	1%
Compensation of employees	466 133	217 519	430 501	92%	456 679	207 765	(4)%
Goods and Services	858 066	328 750	729 018	85%	864 131	342 334	4%
Interest and rent on land							
Transfers and subsidies	23 450	161	23 510	100%	24 124	896	457%
Provinces and municipalities							
Departmental agencies and accounts							
Households	650	161	710	109%	1 324	896	457%
Payments for capital assets	66 255	66 197	166 244	251%	41 503	41 503	(37)%
Buildings and other fixed structures							
Machinery and equipment	500	442	100 430	20086%	543	543	23%
Software and other intangible assets	65 755	65 755	65 814	100%	40 960	40 960	
Payments for financial assets	10	10	10	100%			(100)%
Total	1 413 914	612 637	1 349 283	95%	1 386 437	592 498	(3)%

Expenditure trends for 2019/20

The department spent a total amount of R1.3 billion or 95 per cent of their R1.4 billion adjusted budget. Major spending areas were on compensation of employees at 92 per cent and goods and services at 85 per cent. The underspending in compensation of employees was due to funded vacant posts, especially the posts for senior management services. The main reason for the underspending in goods and services was the incomplete procurement process for parking and courier services and the incomplete refurbishment of the office space on the 7th floor of the departmental building.

Preliminary expenditure trends for the first half of 2020/21

The department's total expenditure for the first half of 2020/21 is R592.5 million compared to R612.6 million of 2019/20. The expenditure is lower because of vacant posts and unspent budget allocated for performance bonuses and annual notch progressions. In goods and services, the expenditure is lower than anticipated because of delays in the procurement of tools of trade and the awaited invoices for the costs of migrating the FMDC into the SITA cloud infrastructure.

The Gauteng Security Operations Centre (GSOC) and the Performance Monitoring tool contribute to the lower expenditure. The expenditure for GSOC is yet to be incurred because the procurement processes still in progress. The contract for the Performance Monitoring tool expired in April 2020 and the department will develop the tool in house using the internal ICT applications team.

Programme 1: Administration

The Administration Programme spent R104.7 million in the first half of 2019/20, compared to R94.7 million spent in the current financial year. The decrease in expenditure is due to vacant posts and delays in the procurement of tools of trade.

Programme 2: Information Communication Technology Shared Services

Expenditure incurred during the first half of 2020/21 amounts to R440.1 million, which is 2 % less than R448.3 million expenditure incurred during the corresponding period in 2019/20. The main drivers contributing to the decrease are delayed invoices relating to the migration of the FMDC operations into SITA cloud infrastructure as well as delayed payments for GSOC.

Programme 3: Human Resource Services

The aggregate expenditure for the first half of the 2020/21 financial year amounts to R57.6 million, compared to R59.6 million expenditure incurred during the corresponding period in the 2019/20 financial year. The expenditure incurred includes the payment of invoices for the prior year for the performance monitoring tool.

4. Departmental Receipts

TABLE 13.9: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Preliminary Receipts		
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Adjusted appropriation		Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept	
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	604	274	567	94%	637	87	(68%)
Transfers received							
Fines, penalties and forfeits							
Interest, dividends and rent on land	12	2	5	42%	13		(100%)
Sales of capital assets							
Financial transactions in assets and liabilities	49	148	216	441%	52	20	(86%)
Total	665	424	788	118%	702	107	(75%)

Revenue trends for the first half of the 2019/20 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 being the sales of goods and services other than capital assets comprises of parking fees, commission on garnishee orders, gym fees, sale of tender documents, replacement of security cards and sale of waste paper.

The departmental receipts amount to R107 000 as at 30 September 2020, compared to R424 000 collected as at 30 September 2019. This decrease reflects in sales of goods and services other than capital assets and financial transactions in assets and liabilities. Sales of goods and services other than capital assets decreased from R274 000 in 2019/20 to R87 000 in 2020/21 as a result of temporarily closure for the gym facilities. A total of R20 000 has been collected to date compared to R148 000 collected in 2019/20 for financial transaction in assets and liabilities.

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

5.1 Changes to transfers and subsidies

No changes

5.2 Changes to conditional grants

Not applicable

5.3 Changes to infrastructure

Not applicable

VOTE 14**GAUTENG PROVINCIAL TREASURY**

R thousand	2020/21			
	Special adjusted appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	739 234	677 458	(61 776)	
of which:				
Current payments	672 231	606 883	(65 348)	
Transfers and subsidies	65 316	63 506	(1 810)	
Payments for capital assets	1 687	7 069		5 382
Payment for financial assets				
Executive authority:	MEC for Finance			
Accounting officer:	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 14.1: GAUTENG PROVINCIAL TREASURY

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		
1. Administration	166 966	(16 486)		3 130			(13 356)	153 610
2. Sustainable Fiscal Resource Management	158 388	(5 277)		(290)			(5 567)	152 821
3. Financial Governance	127 897	(1 550)		(950)			(2 500)	125 397
4. Supply Chain Management	115 227	(16 000)					(16 000)	99 227
5. Municipal Financial Governance	63 069	(14 673)		(1 890)			(16 563)	46 506
6. Gauteng Audit Service	107 687	(7 790)					(7 790)	99 897
Total for Programmes	739 234	(61 776)					(61 776)	677 458

Economic classification	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		
Current payments		672 231	(58 999)		(6 349)			(65 348)	606 883
Compensation of employees		583 057	(49 203)		(6 665)			(55 868)	527 189
Salaries & wages		495 702	(39 603)		2 348			(37 255)	458 447
Social contribution		87 355	(9 600)		(9 013)			(18 613)	68 742
Goods and services		89 174	(9 796)		316			(9 480)	79 694
Transfers and subsidies		65 316	(2 777)		967			(1 810)	63 506
Departmental agencies and accounts		64 183	(2 777)					(2 777)	61 406
Non-profit institutions									
Households		1 133			967			967	2 100
Payments for capital assets		1 687			5 382				7 069
Machinery and equipment		1 687			5 382				7 069
Software and other intangible assets									
Payments for financial assets									
Total economic classification		739 234	(61 776)					(61 776)	677 458

The special adjusted appropriation decreases by R61.8 million from R739.2 million to R677.5 million during the adjustment budget process. The unutilised R55.9 million is for the vacant posts in the approved structure that will be filled after concluding the consultation process with stakeholders. The department further identified savings in use of goods and services amounting to R9.5 million and in transfers and subsidies amounting to R2.8 million.

The province reduces the allocation for compensation of employees to implement the government's initiative to reduce the growth of the public sector wage bill. In this regard, the department's appropriation for compensation of employees reduces by R37.7 million which comprises of R34.9 million in Gauteng Provincial Treasury (GPT) and R2.8 million in Gauteng Infrastructure Funding Agency (GIFA). The department suspends an amount R23.3 million to GPG departments for probity audits in open tender projects. It also suspends R796 000 to the Gauteng Department of Health (GDH) to pay for the COVID-19 personal protective equipment (PPE) that GDH procured on behalf of GPT.

Furthermore, GPT reallocates funds from goods and services to fund the spending pressures relating to procurement of office equipment such as laptops and projectors. The spending pressures also relate to the outsourced specialised audits to accommodate new audit requests in performance information and COVID-19 related audits. An amount of R967 000 is reallocated to transfers and subsidies to fund leave gratuity and injury on duty claims.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 14.2: PROGRAMME 1: ADMINISTRATION

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		
1. Office of the MEC	7 470			4 000			4 000	11 470
2. Office of the HOD	14 883			8 000			8 000	22 883
3. Corporate Management	111 837	(10 486)		(12 800)			(23 286)	88 551
4. Financial Management Services (CFO)	32 776	(6 000)		3 930			(2 070)	30 706
Total for Programmes	166 966	(16 486)		3 130			(13 356)	153 610

Economic classification	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		
Current payments		164 146	(16 486)		(2 379)			(18 865)	145 281
Compensation of employees		128 680	(15 690)		(1 565)			(17 255)	111 425
Salaries & wages		105 248	(11 220)		5 435			(5 785)	99 463
Social contribution		23 432	(4 470)		(7 000)			(11 470)	11 962
Goods and services		35 466	(796)		(814)			(1 610)	33 856
Transfers and subsidies		1 133			127			127	1 260
Provinces and municipalities									
Households					127			127	1 260
Payments for capital assets		1 687			5 382			5 382	7 069
Buildings and other fixed structures									
Machinery and equipment		1 687			5 382			5 382	7 069
Payments for financial assets									
Total economic classification		166 966	(16 486)		3 130			(13 356)	153 610

TABLE 14.3: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(2 379)		
Compensation of employees	Funds for vacant posts in the organisational structure.	(1 565)		
Goods and services	Reduced use of consultants; lower training costs and operational payments.	(814)		
Transfers and subsidies				127
Provinces and municipalities				
Households			Provision for leave gratuity payments to former employees and for injury on duty claims.	127
Payments for capital assets				5 382
Machinery and equipment			Provision for the acquisition of capital assets such as laptops and projectors	5 382
Total economic classification		(2 379)		5 509

Virements and shifts

An amount of R1.6 million is shifted from funds for vacant posts in compensation of employees and R814 000 from goods and services within the programme towards transfers and subsidies as well as payments for capital assets. The COVID-19 restrictions reduced expenditure on items such as consultants, training and operational costs. In the amount shifted from compensation of employees, R127 000 is reallocated towards transfers and subsidies to pay for leave gratuity and injury on duty claims. The balance of R1.4 million plus R814 000 from goods and services is reallocated to fund the purchase of laptops and projectors under payments for capital assets.

The programme receives an amount of R3.1 million from other programmes to augment the funds for purchasing laptops and projectors. This amount includes R950 000 from compensation of employees in Programme 3: Financial Governance, R290 000 from goods and services in Programme 2: Sustainable Fiscal Resource Management and R1.9 million from goods and services in Programme 5: Municipal Financial Governance.

Function shifts, surrenders and suspensions: R16.5 million

Following the decentralisation, from GPT to provincial departments, of the probity audit function regarding the provincial projects that are subject to the open tender process, the programme suspends R6.39 million from compensation of employees. Provincial departments will procure directly the services of probity auditors.

The programme further suspends an amount of R796 000 from goods and services to the Gauteng Department of Health to pay for the COVID-19 PPE that the Gauteng Department of Health procured on behalf of GPT prior to 1 July 2020 after which all departments procured PPE direct from the market.

The programme surrenders to the Provincial Revenue Fund R9.3 million from compensation of employees as a budget cut to implement the government's initiative to reduce the growth of the public sector wage bill.

Programme 2: Sustainable Fiscal Resource Management

TABLE 14.4: PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

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		
1. Programme Support/Office Of The DDG	68 367	(2 777)		(250)		(3 027)	65 340
2. Budget Management	28 241	(400)				(400)	27 841
3. Economic And Fiscal Policy Oversight	13 795						13 795
4. Infrastructure Management	15 274	(2 100)				(2 100)	13 174
5. Financial Asset And Liabilities Management	13 881						13 881
6. Public Finance	18 830			(40)		(40)	18 790
Total for Programmes	158 388	(5 277)		(290)		(5 567)	152 821

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
Current payments	94 205	(2 500)		(390)		(2 890)	91 315
Compensation of employees	77 327	(2 500)		(100)		(2 600)	74 727
Salaries & wages	66 844	(2 100)				(2 200)	64 644
Social contribution	10 483	(400)		(100)		(400)	10 083
Goods and services	16 878			(290)		(290)	16 588
Transfers and subsidies	64 183			100		(2 677)	61 506
Departmental agencies and accounts	64 183	(2 777)				(2 777)	61 406
Households				100		100	100
Payments for capital assets							
Buildings and other fixed structures							
Machinery and equipment							
Payments for financial assets							
Total economic classification	158 388	(5 277)		(290)		(5 567)	152 821

TABLE 14.5: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

Virements and shifts

Economic classification	Motivation	From	Motivation	To
Current payments		(390)		
Compensation of employees	Funds for vacant posts in the organisational structure.	(100)		
Goods and services	Lower expenditure on venues, training, traveling and operational expenses due to COVID-19 restrictions	(290)		
Transfers and subsidies				100
Households			To pay for leave gratuity and for injury on duty claims.	100
Payments for capital assets				
Payments for financial assets				
Total economic classification		(390)		100

Virements and shifts

An amount of R290 000 is reallocated from goods and services because of low spending on venues, training, travelling and operational expenses during COVID-19 period. This amount is reallocated to Programme 1: Administration towards payments for capital assets such as laptops and projectors. R100 000 is reallocated from compensation of employees to transfers and subsidies to pay for leave gratuity and for injury on duty claims.

Function shifts, surrenders and suspensions: R5.3 million

The programme surrenders to the Provincial Revenue Fund R2.5 million from compensation of employees as a budget cut to implement the government's initiative to reduce the growth of the public sector wage bill.

An amount of R2.8 million surrendered to the Provincial Revenue Fund from transfer payments to GIFA as a reduction in compensation of employees in GIFA in line with the government's initiative to reduce growth in the wage bill.

Programme 3: Financial Governance

TABLE 14.6: PROGRAMME 3: FINANCIAL GOVERNANCE

R Thousand	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	s Virements and Shifts	Additional Funding: National & Shifts		
1. Programme Support/Office Of The DDG	3 884						3 884
2. Provincial Accounting Services	61 048						61 048
3. Transversal Internal Audit And Risk Management	19 217	(500)				(500)	18 717
4. Norms And Standards	5 286						5 286
5. Financial Information Management Systems	38 462	(1 050)		(950)		(2 000)	36 462
Total for Programmes	127 897	(1 550)		(950)		(2 500)	125 397

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments				Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	Virements and Shifts	Additional Funding: National		
Current payments	127 897	(1 550)		(1 390)		(2 940)	124 957
Compensation of employees	120 381	(1 550)		(1 390)		(2 940)	117 441
Salaries & wages	103 578	(1 550)		(1 390)		(2 940)	100 638
Social contribution	16 803						16 803
Goods and services	7 516						7 516
Transfers and subsidies				440		440	440
Provinces and municipalities							
Households				440		440	440
Payments for capital assets							
Payments for financial assets							
Total economic classification	127 897	(1 550)		(950)		(2 500)	125 397

TABLE 14.7: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: FINANCIAL GOVERNANCE

Economic classification	Motivation	From	Motivation	To
Current payments		(1 390)		
Compensation of employees	Funds for vacant posts in the organisational structure.	(1 390)		
Goods and services				
Interest and rent on land				
Transfers and subsidies			Provision for leave gratuity payments to former employees and for injury on duty claims.	440
Payments for capital assets				
Payments for financial assets				
Total economic classification		(1 390)		440

Virements and shifts

An amount of R950 000 is shifted from compensation of employees to payments for capital assets to defray the anticipated spending pressure on items such as laptops and projectors in Programme 1: Administration. A further amount of R440 000 is shifted from compensation of employees to transfers and subsidies to cover the anticipated spending pressure on leave gratuity payments and injury on duty claims.

Function shifts, surrenders and suspensions: R1.5 million

The programme surrenders to the Provincial Revenue Fund R1.5 million from compensation of employees as a budget cut to implement the government's initiative to reduce the growth of the public sector wage bill.

Programme 4: Provincial Supply Chain Management

TABLE 14.8: PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

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		
1. Programme Support/Office Of The DDG	29 795	(10 200)					(10 200)	19 595
2. SCM Policy, Norms And Standards	16 871							16 871
3. SCM Client Support	37 304	(5 800)					(5 800)	31 504
4. Strategic Procurement	18 172							18 172
5. Transversal Contract Management	13 085							13 085
Total for Programmes	115 227	(16 000)					(16 000)	99 227

Economic classification	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs	2020/21 Adjustments Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
R Thousand								
Current payments	115 227	(16 000)		(100)			(16 100)	99 127
Compensation of employees	93 405	(7 000)		(100)			(7 100)	86 305
Salaries & wages	77 065	(4 200)		(100)			(4 300)	72 765
Social contribution	16 340	(2 800)					(2 800)	13 540
Goods and services	21 822	(9 000)					(9 000)	12 822
Transfers and subsidies				100			100	100
Non-profit institutions								
Households				100			100	100
Payments for capital assets								
Payments for financial assets								
Total economic classification	115 227	(16 000)					(16 000)	99 227

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		(100)		
Compensation of employees	Funds for vacant posts in the approved structure.	(100)		
Goods and services				
Transfers and subsidies				100
Provinces and municipalities				
Households			Provision for leave gratuity and injury on duty payments	100
Payments for capital assets				
Buildings and other fixed structures				
Payments for financial assets				
Total economic classification		(100)		100

Virements and shifts

An amount of R100 000 is shifted from compensation of employees towards transfers and subsidies for leave gratuity payments to former employees and injury on duty claims.

Function shifts, surrenders and suspensions: R16 million

The programme suspends R7 million from compensation of employees and R9 million from goods and services to fund the probity audit function that is reallocated to GPG departments.

Programme 5: Municipal Financial Governance

TABLE 14.10: PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

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		
1. Programme Support/Office Of The DDG	10 422			36 084			36 084	46 506
2. Local Government Financial Services	23 568	(4 450)		(19 118)			(23 568)	
3. Municipal Accounting And Asset Management	8 430	(1 000)		(7 430)			(8 430)	
4. Municipal Compliance And Financial Management Support	20 649	(9 223)		(11 426)			(20 649)	
Total for Programmes	63 069	(14 673)		(1 890)			(16 563)	46 506
Economic classification	Special Adjusted Appropriation	2020/21 Adjustments					Total Adjustments	Adjusted Appropriation
R Thousand		Function Shifts, Surrenders and Suspensions	Roll-overs	2020/21 Adjustments Virements and Shifts	Additional Funding: National	Additional Funding: Provincial		
Current payments	63 069	(14 673)		(1 990)			(16 663)	46 406
Compensation of employees	59 191	(14 673)		(100)			(14 773)	44 418
Salaries & wages	51 166	(14 673)		2 313			(12 360)	38 806
Social contribution	8 025			(2 413)			(2 413)	5 612
Goods and services	3 878			(1 890)			(1 890)	1 988
Transfers and subsidies				100			100	100
Provinces and municipalities								
Households				100			100	100
Payments for capital assets								
Payments for financial assets								
Total economic classification	63 069	(14 673)		(1 890)			(16 563)	46 506

TABLE 14.11: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

Economic classification	Motivation	From	Motivation	To
Current payments		(1 990)		
Compensation of employees	Funds for vacant posts in the approved structure.	(100)		
Goods and services	Low expenditure on consultants, office consumables and training during the national lockdown	(1 890)		
Transfers and subsidies				100
Households			Provision for leave gratuity and injury on duty payments	100
Payments for capital assets				
Payments for financial assets				
Total economic classification		(1 990)		100

Virements and shifts

The programme reviewed the budget for goods and services affected by the national lockdown such as consultants, office consumables and training. The programme therefore shifted an amount of R 1.9 million to Programme 1: Administration towards payments for capital assets such as laptops and projectors.

An amount of R100 000 is shifted from compensation of employees to transfers and subsidies to cover leave gratuity payments to former employees.

Function shifts, surrenders and suspensions: R14.7 million

The programme surrenders to the Provincial Revenue Fund R14.7 million from compensation of employees as a budget cut to implement the government's initiative to reduce the growth of the public sector wage bill.

Programme 6: Gauteng Audit Services

TABLE 14.12: PROGRAMME 6: GAUTENG AUDIT SERVICES

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		
1. Programme Support/ Office of the DDG	7 617			3 210			3 210	10 827
2. Risk and Compliance Audit Services (Cluster 1,2,3)	39 902	(7 790)		(3 210)			(11 000)	28 902
3. Risk and Compliance Audit Services (Cluster 4,5,6)	28 437			5 000			5 000	33 437
4. Performance and Computer Audit Services	31 731			(5 000)			(5 000)	26 731
Total for Programmes	107 687	(7 790)					(7 790)	99 897

Economic classification	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		
Current payments	107 687	(7 790)		(100)			(7 890)	99 797
Compensation of employees	104 073	(7 790)		(3 410)			(11 200)	92 873
Salaries & wages	91 801	(5 860)		(3 810)			(9 670)	82 131
Social contribution	12 272	(1 930)		400			(1 530)	10 742
Goods and services	3 614			3 310			3 310	6 924
Transfers and subsidies				100			100	100
Households				100			100	100
Payments for capital assets								
Payments for financial assets								
Total economic classification	107 687	(7 790)					(7 790)	99 897

TABLE 14.13: DETAILS OF VIREMENTS AND SHIFTS PER ECONOMIC CLASSIFICATION: PROGRAMME 6: GAUTENG AUDIT SERVICES

Economic classification	Motivation	From	Motivation	To
Current payments		(3 410)		3 310
Compensation of employees	Funds for vacant posts and funded posts in the approved structure, which can only be filled after consultation processes are concluded.	(3 410)		
Goods and services			Provision for ongoing outsourced performance information audits and COVID-19 related audits	3 310
Transfers and subsidies				100
Households			Provision for leave gratuity payment to former employees and injury on duty claims.	100
Payments for capital assets				
Payments for financial assets				
Total economic classification		(3 410)		3 410

Virements and shifts

The programme shifts an amount of R3.3 million from compensation of employees of towards outsourced specialised audits to accommodate new audit requests in performance information and COVID-19 related audits.

An amount of R100 000 is reallocated from compensation of employees to households under transfers and subsidies to provide for leave gratuity payments to former employees.

Function shifts, surrenders and suspensions: R7.8 million

Out of the R7.8 million reduction in compensation of employees, R848 000 is suspended to fund the probity audit function that is reallocated to GPG departments; whilst the balance is surrendered to the Provincial Revenue Fund as a budget cut to implement the government's initiative to reduce the growth of the public sector wage bill.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 14.14: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21

Department	2019/20				2020/21		
	Expenditure Outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
1. Administration	150 052	67 597	141 191	94%	153 610	64 771	(4%)
2. Sustainable Fiscal Resource Management	191 131	100 824	190 039	99%	152 821	104 554	4%
3. Financial Governance	161 485	66 953	145 611	90%	125 397	54 193	(19%)
4. Supply Chain Management	125 825	49 947	106 525	85%	99 227	44 922	(10%)
5. Municipal Financial Governance	52 057	25 493	50 741	97%	46 506	20 842	(18%)
6. Gauteng Audit Services	99 400	42 632	93 384	94%	99 897	43 919	3%
Total	779 950	353 446	727 491	93%	677 458	333 201	(6%)
Current payments	666 627	284 746	614 818	92%	672 231	262 745	(8%)
Compensation of employees	518 713	238 793	490 873	95%	583 057	236 180	(1%)
Goods and Services	147 914	45 953	123 945	84%	89 174	26 565	(42%)
Transfers and subsidies	106 943	62 757	106 576	100%	65 316	64 523	3%
Departmental agencies and accounts	101 940	61 940	101 940	100%	64 183	64 183	4%
Non-profit institutions							
Households	5 003	817	4 636	93%	1 133	340	(58%)
Payments for capital assets	6 380	5 943	6 097	96%	1 687	5 933	0%
Machinery and equipment	6 380	5 943	6 097	96%	1 687	5 933	0%
Software and other intangible assets							
Payments for financial assets							
Total	779 950	353 446	727 491	93%	739 234	333 201	(6%)

Expenditure trends for 2019/20

The department spent 93 per cent of the R780 million budget in 2019/20. The allocation of R780 million in 2019/20 included personnel budget of R518.7 million; and goods and services totalling R147.9 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 R101.9 million allocated to GIFA and R5 million for injury-on-duty claims, leave gratuity payments to former officials and external bursaries payments. Payments for capital assets amounted to R6.4 million to provide for the purchase of office equipment and for finalising the payment for the laptops that were procured during the last quarter of the previous financial year.

The department's expenditure was recorded at R727.5 million, which translates to 93 per cent of the total budget. This spending level comprised of 95 per cent on compensation of employees; 84 per cent on goods and services; 100 per cent on transfers and subsidies (i.e. 100 per cent made to GIFA and further 93 per cent on households) and 96 per cent spending on purchases of office and computer equipment. The underspending of 4 per cent of the final appropriation was attributed to vacant posts and the previous year accruals.

Expenditure trends for the first half of 2020/21

Programme 1: Administration

Spending amounts to R64.7 million, which is 4 per cent less than R67.5 million spent in same period in the previous financial year. The decrease is mainly due to vacant posts and the funded posts in the approved structure, which can only be implemented after consultation processes are concluded.

Programme 2: Sustainable Fiscal Resource Management

The programme spent R104.5 million as at the end of September 2020 compared to R100.8 million spent at the end of September 2019. The 5 per cent increase between the two periods is largely attributed to costs of tabling Special Provincial Adjustments Budget and GIFA transfer payments.

Programme 3: Financial Governance

The aggregate expenditure for this programme decreases by 19 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 2020 amounts to R54.2 million compared to R66.9 million that was spent as at 30 September 2019. The reason for the decrease is the migration of Provincial Forensic Audit's unit to Office of the Premier and general COVID-19 limitations on procurement and recruitment processes.

Programme 4: Provincial Supply Chain Management

The department is suspending R23.3 million to eight (8) GPG departments for probity audits of open tender projects and such expenditure will follow suspended budget amounts. Spending was R49.9 million in 2019/20 and it is R44.9 million in the current financial year. 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 18 per cent less compared to the same period in the previous financial year, translating into a decrease from R25.4 million 2019/20 to R20.8 million in 2020/21. The treasury's interventions to support municipalities through the provision of trainings contributed to the level of spending in the current financial year.

Programme 6: Gauteng Audit Services

The aggregate expenditure for this programme decreases by 3 per cent during the first six months in the current financial year compared to the same period in the previous financial year. The decrease is due to delays in finalisation of audits assignments reports. These audits include outsourced specialised audit services aimed at addressing project backlogs in annual audit plans as well as improvements based on Auditor-General's recommendations.

4. Departmental Receipts

TABLE 14.15: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Audited Outcome				Preliminary Receipts		
R thousand	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
Tax receipts							
Sales of goods and services other than capital assets	1 153	317	657	57%	1 238	282	(11%)
Interest, dividends and rent on land	845 000	422 323	1 034 732	122%	550 000	393 222	(7%)
Sales of capital assets	20	5	8	40%			100
Financial transactions in assets and liabilities	528	314	374	71%	557	128	(59%)
Total	846 681	422 959	1 035 771	122%	551 795	393 632	(7%)

Revenue trends for the first half of the 2020/21 financial year

The department's revenue appropriation amounts to R551.7 million in 2020/21, which comprises of R550 million provision for interest revenue earned on favourable cash balances during the financial year. The revenue collection amounts R393.6 million or 71 per cent of the R551.7 million budget during the first half of the financial year.

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

5.1 Changes to transfers and subsidies

TABLE 14.16: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

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		
2. Sustainable Fiscal Resource Management	64 183							61 406
Gauteng Infrastructure Financing Agency	64 183	(2 777)						61 406
Total changes in transfers and subsidies payments	64 183	(2 777)						61 406

An amount of R2.8 million surrendered to the Provincial Revenue Fund from transfer payments to GIFA as a reduction in compensation of employees in GIFA in line with the government's initiative to reduce growth in the wage bill.

5.2 Changes to conditional grants

Not applicable

5.3 Change to infrastructure

Not applicable

VOTE 15**DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT**

R thousand	2020/21			
	Special adjusted appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 262 793	3 197 771	(65 022)	
of which:				
Current payments	2 086 817	2 011 920	(74 897)	
Transfers and subsidies	1 086 507	1 086 507		
Payments for capital assets	89 469	99 344		9 875
Payment for financial assets				
Executive authority	MEC for Infrastructure Development			
Accounting officer	Head of Department			

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.

Changes to Programme Purpose, Objective and Measures

No changes.

1. Summary of Adjusted Estimates of Departmental Expenditure 2020/21

TABLE 15.1: INFRASTRUCTURE DEVELOPMENT

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		
Administration	375 791	(12 104)		40 000		27 896	403 687
Public Works Infrastructure	2 621 020	(50 723)		51 279		556	2 621 576
Expanded Public Works Programme	265 982	(2 195)		(91 279)		(93 474)	172 508
Total for Programmes	3 262 793	(65 022)				(65 022)	3 197 771

Economic classification	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		
Current payments		2 086 817	(65 022)		(9 875)		(74 897)	2 011 920
Compensation of employees		1 195 753	(71 605)		(43 227)		(114 832)	1 080 921
Salaries & wages		1 099 822	(71 605)		(43 227)		(114 832)	984 990
Social contribution		95 931						95 931
Goods and services		889 997	6 583		33 852		40 435	930 432
Interest and rent on land		1 067			(500)		(500)	567
Transfers and subsidies		1 086 507						1 086 507
Provinces and municipalities		1 082 931						1 082 931
Households		3 576						3 576
Payments for capital assets		89 469			9 875		9 875	99 344
Buildings and other fixed structures		63 469			5 375		5 375	68 844
Machinery and equipment		26 000			4 500		4 500	30 500
Payments for financial assets								
Total economic classification		3 262 793	(65 022)				(65 022)	3 197 771

The department's budget for the 2020/21 financial year decreases from R3.3 billion to R3.2 billion during adjustment period. The budget reduction is applied on compensation of employees in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels and amounts to R71.6 million. Furthermore, the department is allocated additional funding of R6.6 million for Probity Audits for the transfer of this function from the Treasury to the department.

The department implements shifts of funds within the programmes to address budget pressures and to defray overspending on items such as property payments, communication and transport services.

The department implements virements of funds amounting to R91.3 million from Programme 3 to fund COVID-19 deliverables and outputs, legal services and ICT equipment. An amount R70 million is moved to programme 2 for COVID-19 and R21.3 million to Programme 1 to fund Legal services, ICT systems and tools of trade. Furthermore, an amount of R18.7 million will be moved from Programme 2 to Programme 1 to fund Legal services, ICT systems and tools of trade.

The department's infrastructure budget will remain unchanged at R117 million with implemented shifts of funds towards projects which are ready for implementation.

2. Details of Adjustments to Estimates of Departmental Expenditure 2020/21

Programme 1: Administration

TABLE 15.2: PROGRAMME 1: ADMINISTRATION

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		
1. Office of The Mec	7 562							7 562
2. Corporate Support	355 053	(12 104)		40 000			27 896	382 949
3. Management of The Department	13 176							13 176
Total for Programmes	375 791	(12 104)		40 000			27 896	403 687

Economic classification	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		
Current payments		348 987	(12 104)		35 500		23 396	372 383	
Compensation of employees	284 164		(18 687)				(18 687)	265 477	
Salaries & wages	253 756		(18 687)				(18 687)	235 069	
Social contribution	30 408							30 408	
Goods and services	64 284		6 583		36 000		42 583	106 867	
Interest and rent on land	539				(500)		(500)	39	
Transfers and subsidies		804						804	
Households	804							804	
Payments for capital assets	26 000				4 500		4 500	30 500	
Machinery and equipment	26 000				4 500		4 500	30 500	
Payments for financial assets									
Total economic classification		375 791	(12 104)		40 000		27 896	403 687	

TABLE 15.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

Economic classification	Motivation	From	Motivation	To
Current payments		(3 100)		38 600
Compensation of employees				
Goods and services	Due to the lockdown the department has realised savings in items like stationery, training etc. which will be redirected to items where there is increased spending.	(2 600)	Funds are transferred to legal services, advertisement of posts, tools of trade, competency assessments and strategic planning session.	38 600
Interest and rent on land	The department has seen an improvement in payment of invoices within 30 days which resulted in savings in interest paid on late payment of invoices.	(500)		
Transfers and subsidies				
Payments for capital assets				4 500
Machinery and equipment			Funds shift to make provision for tools of trade for replacements and newly appointed employees.	4 500
Total economic classification		(3 100)		43 100

Virements and Shifts

An amount of R38.6 million is reallocated to Programme 1 to fund the settlement of legal costs for pending court cases, ICT system and tools of trade.

Function Shifts, Surrenders and Suspensions

An amount of R18.7 million is surrendered from Compensation of employees to Provincial Revenue fund. This surrender is line with government's initiative to contain growth of the public sector wage bill within affordable levels.

An amount of R6.6 million is allocated to the department and relates to the probity audit function shift from the Provincial Treasury to the department.

Programme 2: Public Works Infrastructure

TABLE 15.4: PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

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		
1. Construction	225 910	(2 900)		(13 353)			(16 253)	209 657
2. Maintenance	639 058	(45 323)		13 353			(31 970)	607 088
3. Immovable Asset Management	1 756 052	(2 500)		51 279			48 779	1 804 831
Total for Programmes	2 621 020	(50 723)		51 279			556	2 621 576

Economic classification	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		
Current payments		1 472 048	(50 723)		45 904			(4 819)	1 467 229
Compensation of employees		771 318	(50 723)					(50 723)	720 595
Salaries & wages		724 596	(50 723)					(50 723)	673 873
Social contribution		46 722							46 722
Goods and services		700 202			45 904			45 904	746 106
Interest and rent on land		528							528
Transfers and subsidies		1 085 503							1 085 503
Provinces and municipalities		1 082 931							1 082 931
Households		2 572							2 572
Payments for capital assets		63 469			5 375			5 375	68 844
Buildings and other fixed structures		63 469			5 375			5 375	68 844
Payments for financial assets									
Total economic classification		2 621 020	(50 723)		51 279			556	2 621 576

TABLE 15.5: DETAILS OF SHIFTS AND VIREMENTS PER CLASSIFICATION: PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Economic classification	Motivation	From	Motivation	To
Current payments		(40 699)		86 603
Compensation of employees				
Goods and services	Savings were identified from electricity and water due to officials working from home as a result of the COVID-19 lockdown.	(40 699)	Funds made available for provision of Personal Protecting Equipment, decontamination and fumigation of offices relating to COVID-19 pandemic.	86 603
Interest and rent on land				
Transfers and subsidies				
Payments for capital assets		(2 387)		7 762
Buildings and other fixed structures	Funds made available due to some projects being part of the Kopanong PPP which will start in the next financial year.	(2 387)	Funds are made available for projects which are ready for implementation within the branches of Construction and Health.	7 762
Machinery and equipment				
Payments for financial assets				
Total economic classification		(43 086)		94 365

Virements and Shifts

An amount of R18.7 million is made available to Programme 1 as a result of cost savings due to personnel working from home as a result of the national lockdown. These funds are redirected to purchase tools of trade and ICT system.

An amount of R70 million will be shifted from Programme 3 to fund the departments COVID-19 commitment amounting to R135 million. During the Special Adjustment an amount of R45 million was reprioritized to fund the departments' response to the pandemic. This amount was found to be inadequate due to the volume of PPE required as well as the frequency and extent of sanitization and will be supplemented with the virement.

The net shift of R5.4 million to Capex will fund the over expenditure on some of the Infrastructure projects to ensure that all departmental buildings are complying with the OHS Act.

Function Shifts, Surrenders and Suspensions

An amount of R50.7 million is surrendered to the Provincial Revenue Fund. The budget reduction is applied on compensation of employees in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels.

Programme 3: Expanded Public Works Programme

TABLE 15.6: EXPANDED PUBLIC WORKS PROGRAMME

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		
1. Programme Support CBP	149 560			(48 052)			(48 052)	101 508
2. Community Development	116 422	(2 195)		(43 227)			(45 422)	71 000
Total for Programmes	265 982	(2 195)		(91 279)			(93 474)	172 508

Economic classification	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		
Current payments	265 782	(2 195)		(91 279)			(93 474)	172 308	
Compensation of employees	140 271	(2 195)		(43 227)			(45 422)	94 849	
Salaries & wages	121 470	(2 195)		(43 227)			(45 422)	76 048	
Social contribution	18 801							18 801	
Goods and services	125 511			(48 052)			(48 052)	77 459	
Transfers and subsidies	200							200	
Households	200							200	
Payments for capital assets									
Payments for financial assets									
Total economic classification	265 982	(2 195)		(91 279)			(93 474)	172 508	

TABLE 15.7: DETAILS OF SHIFTS AND VIREMENTS PER CLASSIFICATION: PROGRAMME 2: EXTENDED PUBLIC WORKS PROGRAMME

Economic classification	Motivation	From	Motivation	To
Current payments		(134 946)		43 667
Compensation of employees	Funds redirected from NYS budget as result of delay in training due to COVID-19 lockdown.	(43 227)		
Goods and services	Funds made available due to delay in training of NYS as result of COVID-19 lockdown.	(91 719)	The funds are redirected to coordination and training of the new recruits.	43 667
Interest and rent on land				
Transfers and subsidies				
Households				
Total economic classification		(134 946)		43 667

Virements and Shifts

The department experienced delays in recruitment during lockdown period which resulted in delays in spending for this programme. The NYS programme was due to recruit a new group for the 2020/21-financial year on a 2 years programme but due to the pandemic this could not be achieved. The delays in recruitment impacted negatively on spending of the Expanded Public Works Programme (EPWP) conditional grant and spending of the training budget.

An amount of R92 million is shifted from this programme to programme 1 & 2, of which R70 million will fund the department's response to the COVID-19 pandemic on programme 2 with the remainder of R22 million being shifted to programme 1 to fund the pending court settlements.

An amount of R43 million is shifted from NYS stipends budget under compensation of employees to goods and services to fund the improved commitment in coordination of the programme within the province and training of the new recruits.

Function Shifts, Surrenders and Suspensions

An amount of R2.2 million is surrendered to the Provincial Revenue fund. This surrender is in line with government's initiative to contain growth of the public sector wage bill within affordable levels.

3. Expenditure 2019/20 and Preliminary Expenditure 2020/21

TABLE 15.8: EXPENDITURE 2019/20 AND PRELIMINARY EXPENDITURE 2020/21

Department	2019/20 Expenditure Outcome				2020/21 Preliminary expenditure		
	Adjusted appropriation	Apr 2019 - Sept 2019	Apr 2019 - Mar 2020	Apr 2019 - Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Apr 2020 - Sept 2020	% change 19/20 - 20/21 Apr-Sept
R thousand							
Administration	338 631	200 439	351 370	104%	403 687	145 485	(27)%
Public Works	2 755 442	1 104 426	2 722 784	99%	2 621 576	1 116 716	1%
Expanded Public Works	330 913	145 290	268 819	81%	172 508	21 359	(85)%
Total	3 424 986	1 450 155	3 342 973	98%	3 197 771	1 283 560	(11)%
Current payments	2 119 010	1 041 797	2 019 509	95%	2 011 920	913 463	(12)%
Compensation of employees	1 130 365	533 996	1 120 132	99%	1 080 921	483 212	(10)%
Goods and Services	987 645	507 757	899 319	91%	930 432	430 250	(15)%
Interest and rent on land	1 000	44	58	6%	567	1	(98)%
Transfers and subsidies	1 060 109	324 907	1 090 440	103%	1 086 507	342 260	5%
Provinces and municipalities	1 054 375	321 675	1 084 092	103%	1 082 931	341 070	6%
Departmental agencies and accounts	4			0%			
Households	5 730	3 232	6 348	111%	3 576	1 190	(63)%
Payments for capital assets	245 866	83 373	232 807	95%	99 344	27 837	(67)%
Buildings and other fixed structures	219 815	73 052	175 765	80%	68 844	17 149	(77)%
Machinery and equipment	26 051	10 286	27 225	105%	30 500	10 688	4%
Software and other intangible assets		35	29 816				
Payments for financial assets		78	218				(100)%
Total	3 424 986	1 450 155	3 342 973	98%	3 197 771	1 283 560	(11)%

Expenditure trends 2019/20

The department was allocated a budget of R3.4 billion and spent 98 per cent of this allocation. Of the unspent R82 million, R21 million related to invoices of projects which the Department will continue to implement as per project plan in the next financial year. The average monthly expenditure of the Department amounts to R278.6 million.

Programme 1 - Administration

Administration was allocated R338 million in 2019/20 and increased to R334 million in the current year. This budget was spent at 98 per cent and resulted in a 2 per cent budget under expenditure. The effective implementation of cost containment measures resulted in savings on expenditure items such as advertising and consumable supplies. In the same programme there has been an increase in expenditure relating to legal fees – and this emanated from settlement of legal claims from external third parties in the main.

Programme 2 - Public Works

The programme was allocated a budget of R 2.7 billion and decreased to R2.6 billion in the current financial year. The Department spent R2.723 billion of the budget allocation and this resulted in only 1.2 per cent of the budget remaining unspent. Programme 2 is responsible for payment of rates and taxes including the payment of security services for properties owned and rental payment of leased-in properties. The combination of the three items constitute almost 39 per cent of the programme's budget. Out of this R2.755 billion budget.

Programme 3 - EPWP

The Department was allocated an amount of R330 million for the year 2019/20 which decreased to R172.5million in the current financial year. The programme was not able to spend its allocation fully. This emanates from delays in the completion of training programmes scheduled for EPWP beneficiaries. Added to the programme's underspending was the realisation of lesser beneficiaries reporting for duty which resulted in reduced balances of expenditure on payment of stipends.

Preliminary expenditure trends for the first half of 2020/21

The department's budget for the current financial year is reduced by R28.8 million that is due to underperformance on infra-

structure projects caused by the COVID-19 lockdown restrictions. This reduction has translated to a 39 per cent spending by the end of the second quarter. In addition, there is slow spending on the payment of Rates and Taxes due system and staffing challenges encountered by the Municipalities.

The department is allocated a budget of R1 billion for rates and taxes which constitutes 33 per cent of the adjusted budget. 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 Pandemic which resulted in activities halted. However, a significant improvement is anticipated from quarter3 going forward as the country is in Lockdown level 1.

Programme 1: Administration

The department has seen a significant reduction in spending for the first half of the financial year as compared 2019/20 financial year, which is due to the lockdown and no officials were travelling neither trained during this period. To date the department has spent R145 million.

Programme 2: Public Works Infrastructure

This programme is the core function of the department, which is Infrastructure Development and Property Management and is allocated approximately 80 per cent of the departments' budget. The department has seen an improvement in the 30 days payment and management of the budget due to enough allocation towards Property Leases. In the 2020/21 financial year the department's spending is at 43 per cent.

However, underspending is affected by some of the projects being part of phase 1 of the Kopanong PPP project which will commence in the next financial year.

Spending on Rates & Taxes will improve during the 3rd quarter as the municipalities finalise their audits and submit claims to the department. This is an issue every year due to the misalignment in financial years between the departments and the municipalities.

Programme 3: Expanded Public Works

EPWP spent 8 per cent as at mid-year of the 2020/21 financial year when compared to 2019/20 financial year due to delays NYS recruitment programme. To date the department has spent R21 million of the adjusted budget.

4. Departmental Receipts

TABLE 15.9: DEPARTMENTAL RECEIPTS

Department	2019/20				2020/21		
	Adjusted appropriation	Audited Outcome		Apr 2019 -Mar 2020 as a % of adjusted appropriation	Adjusted appropriation	Preliminary Receipts	
Apr 2019 - Sept 2019		Apr 2019 - Mar 2020	Apr 2020 - Sept 2020			% change 19/20 - 20/21 Apr-Sept	
R thousand							
Tax receipts							
Sales of goods and services other than capital assets	26 289	8 118	15 722	(40)%	13 138	5 762	(29)%
Transfers received							
Fines, penalties and forfeits			1				
Interest, dividends and rent on land		12	49			2	(83)%
Sales of capital assets							
Financial transactions in assets and liabilities	692	524	3 555	414%	730	35	(93)%
Total	26 981	8 654	19 327	(28)%	13 868	5 799	(33)%

Revenue trends for the first half of the 2019/20 financial year

The departments revenue is adjusted to downwards to R13.9 million from the main budget of R28.5 million. This adjustment is as result of reduction in projected revenue by R14.6 million primarily affected by the COVID-19 lockdown. The department collected an amount of R5.7 million in the first six months of the current financial year, the amount is 33 per cent less when compared to the same period in the previous financial year.

The under-collection is primarily influenced by delays in property sales and non-payment of property rentals by tenants due to COVID-19 lockdown.

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

5.1 Changes to transfer and subsidies

No changes.

5.2 Changes to Conditional grant

No changes.

5.3 Changes to Infrastructure

Please refer to the 2020/21 Adjusted Estimates of Capital Expenditure (AECE).



Gauteng Provincial Treasury

ADJUSTED ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE 2020



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