

NORTHERN CAPE PROVINCE

**NORTHERN CAPE
MAIN APPROPRIATION BILL, 2023**

(As introduced by the MEC for FINANCE, ECONOMIC DEVELOPMENT AND TOURISM)

[B1 - 2023]

BILL

To effect appropriations of money from the Northern Cape Provincial Revenue Fund for the requirements of the Northern Cape Province in respect of the financial year ending 31 March 2024; and to provide for matters incidental thereto.

PREAMBLE

WHEREAS Section 226(2) of the Constitution of the Republic of South Africa, 1996 provides that money may be withdrawn from the Provincial Revenue Fund only in terms of an appropriation by a provincial Act;

AND WHEREAS the Northern Cape Main Appropriations Act, 2023 (Act No 1 of 2023), provides for the appropriation of money from the Provincial Revenue Fund to provide for the requirements of the Northern Cape Province in respect of the financial year ending 31 March 2024;

AND WHEREAS Section 31 of the Public Financial Management Act provides for the tabling of a provincial adjustments budget to make adjustments to the Provincial Appropriation Act;

BE IT THEREFORE ENACTED by the Northern Cape Provincial Legislature, as follows: —

Definitions

1. In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Public Finance Management Act has the meaning assigned to it in that Act and —

“Conditional grants” means allocations to provinces, local government or municipalities from the national government’s share of revenue raised nationally, provided for in section 214(1)(c) of the Constitution of the Republic of South Africa, 1996;

“Conditional allocation” means an allocation to a municipality as contemplated in section 36 of the Municipal Finance Management Act, 2003 (Act. 56 of 2003);

“Current payments” means any payments made by a provincial department in respect of the operational requirements of that department, and includes, amongst others, payments for the compensation of employees, goods and services, interest, rental of immovable property and financial transactions relating to assets and liabilities, but exclude transfers and subsidies, payments for capital assets and payments made under section 73 of the Public Finance Management Act;

“Payments for capital assets” means any payment made by a provincial department—

- (a) for an asset that can be used continuously or repeatedly in production for more than one year, and which is expected to have future economic benefits or service potential for the provincial department making the payment; and

- (b) that must be classified as or deemed to be a payment for capital assets in accordance with the Reference Guide to the new Economic Reporting Format (November 2003, Version 2) and the Asset Management Framework (April 2004, Version 3.3), issued by the National Treasury under section 76 of the Public Finance Management Act;

“Municipal financial year” means a financial year for municipalities ending on 30 June;

“Payments for financial assets” means any payment made by a department classified as or deemed to be a payment for financial assets in terms of the *Guidelines for Implementing the Economic Reporting Format* (September 2009), issued by the National Treasury under section 76 of the Public Finance Management Act. The above entails the provision for payments associated with certain purchases of financial assets in order to expense the transactions where the purpose of such a transaction is not market oriented;

“Public Finance Management Act” means the Public Finance Management Act, 1999 (Act No. 1 of 1999);

“Transfers and subsidies” means any payments made by a provincial department to another organ of state or any other person in respect of which the provincial department does not receive anything of similar value directly in return.

Appropriation of money for the requirements of the Northern Cape Province

2. (1) Appropriations by Northern Cape Provincial Legislature of money from the Northern Cape Provincial Revenue Fund for the requirements of the Northern Cape Province in the 2023/24 financial year to votes and the main divisions within a vote, and for the specific listed purposes, are set out in the Schedule to this Act.
- (2) Subject to section 3, spending of appropriations is subject to the provisions of the Public Finance Management Act.

Appropriation listed as specifically and exclusively

3. Appropriations to a vote or main divisions within a vote that are listed as specifically and exclusively may only be utilised for the purpose indicated and may not be used for any other purpose, unless an Act of the Northern Cape Provincial Legislature amends or changes the purpose for which it was allocated.

Utilisation of saving

4. Despite the provisions of section 3 of this Act, the Provincial Treasury may approve the utilisation of a saving in an amount appropriated under a vote for transfer to a specific institution, other than the amount specifically and exclusively appropriated, for any other purpose within a vote.

Conditional allocations to municipalities

5. Conditional allocations to municipalities from the provincial budget in respect of the 2023/24 financial year. An envisaged division of the conditional allocations to municipalities from the provincial budget for the next financial year and the 2023 MTEF as set out in **Annexure A**, which is subject to the annual Northern Cape Appropriation Act for those years.

Withholding of conditional allocations

6. (1) A transferring provincial officer may withhold the transfer of a conditional allocation to a municipality or any portion of such allocation for a period not exceeding 30 days, if-
- (a) the municipality does not comply with conditions to which the allocation is subject; or
 - (b) expenditure on previous transfers during the financial year reflects significant under-spending for which no satisfactory explanation is given.
- (2) A transferring provincial officer must, at least 21 days, or such shorter period as may be approved by the Provincial Treasury, prior to withholding an allocation in terms of subsection (1)-
- (a) give the relevant municipality-
 - (i) written notice of the intention to withhold the allocation; and
 - (ii) an opportunity to submit written representations, within those 21 days as to why the allocation should not be withheld; and
 - (b) inform the Provincial Treasury and the provincial department responsible for local government of its intention to withhold the allocation.
- (3) A notice contemplated in subsection (2) must include the reasons for withholding the allocation and the intended duration of the withholding.
- (4) (a) The Provincial Treasury may, when a transferring provincial officer is withholding an allocation in terms of subsection (1), instruct that officer, or approve a request from that officer to withhold an allocation for a period longer than 30 days, but not exceeding 120 days, if the withholding will-
- (i) facilitate compliance with the conditions to which the allocation is subject; or
 - (ii) minimise the risk of under-spending.
- (b) A transferring provincial officer must, when requesting the withholding of an allocation in terms of this subsection, submit proof of its compliance with subsection (2) and a copy of any representations received from the municipality concerned, to the Provincial Treasury.

- (c) The transferring provincial officer must again comply with subsection (2) when the Provincial Treasury instructs or approves a request in terms of paragraph (a).

Stopping of conditional allocations

- 7. (1) Despite section 6, the Provincial Treasury may in its discretion or at the request of
 - a transferring provincial officer stop the transfer of a conditional allocation or any portion of such allocation to a municipality-
 - (a) on the grounds of a persistent and material non-compliance with conditions to which the allocation, as provided for in the relevant framework published in the *Provincial Gazette*, is subject; or
 - (b) if the Provincial Treasury anticipates that the municipality will substantially under-spend on the programme or allocation concerned in the current financial year.
- (2) The Provincial Treasury must before stopping an allocation in terms of this section-
 - (a) give the relevant receiving municipality-
 - (i) 21 days written notice of the intention to stop the allocation; and
 - (ii) an opportunity to submit written representations within those 21 days as to why the transfer of the allocation or part thereof should not be stopped; and
 - (c) consult the Member of Executive Council responsible for the provincial department wanting to stop the conditional allocation.
- (3) Any stopping of an allocation contemplated in subsection (1) must, together with an explanatory memorandum, be published by the Provincial Treasury in the *Provincial Gazette*.
- (4) The Member of Executive Council responsible for finance must report any stopping of allocations in terms of this section to the Provincial Legislature and the Auditor-General at the tabling of the next appropriation legislation in the Provincial Legislature after the commencement of this Act.

Re-allocation after stopping of conditional allocation

- 8. The Provincial Treasury may, where it stops an allocation in terms of section 7, after consultation with the transferring provincial officer, determine that the allocation or any portion thereof be reallocated to one or more municipalities on condition that the allocation must be spent in the current financial year or the next financial year.

Transfers made in error and fraudulently

9. (1) The transfer of an allocation to a municipality in error or fraudulently is regarded as not legally due to the municipality.
- (2) A transfer contemplated in subsection (1) must be recovered, without delay, by the responsible transferring provincial officer, unless an instruction has been issued in terms of subsection (3).
- (3) The Provincial Treasury may instruct the transferring officer that the recovery contemplated in subsection (2) be effected by set-off against future transfers due to the municipality.

Unspent conditional allocations

10. (1) Subject to the Public Finance Management Act, the Local Government Municipal Finance Management Act, 2003 and the Division of Revenue Act, any conditional allocation, or portion thereof that *Appropriation Bill, 2023* is not spent by the municipality at the end of a municipal financial year, reverts to the Provincial Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2).
- (2) The Provincial Treasury may, at the request of the transferring provincial officer or a municipality, approve in consultation with the transferring officer a roll-over of a conditional allocation to the next municipal financial year if the unspent funds are committed to identifiable projects.
- (3) The receiving officer must ensure that any funds that must revert to the Provincial Revenue Fund in terms of subsection (1) are paid by the municipality to the transferring officer's bank account, who will in turn transfer them to the Provincial Revenue Fund.
- (4) The Provincial Treasury, in accordance with subsection (5), may offset any funds which must revert to the Provincial Revenue Fund in terms of subsections (1) and (3), but which have not yet been paid to that Fund, against future conditional allocations to that municipality.
- (5) Before any funds are offset in terms of subsection (4), the Provincial Treasury must give the relevant transferring provincial officer, and receiving municipal officer –
- (a) written notice of the intention to offset amounts against future conditional allocations; and
- (b) an opportunity, within 14 days of receipt of the notice referred to in paragraph (a), to–
- (i) submit written representations that prove to the satisfaction of the Provincial Treasury that the unspent conditional allocation was either spent in accordance with the relevant framework or is committed to identifiable projects;

- (ii) propose alternative means acceptable to the Provincial Treasury by which the unspent conditional allocations can be paid into the Provincial Revenue Fund; and
 - (iii) propose an alternative payment arrangement in terms of which the unspent conditional allocations will be paid into the Provincial Revenue Fund.
- (6) A notice contemplated in subsection (5) must include the intended amount to be offset against allocations, and the reasons for offsetting the amounts.
- (7) No approval will be granted for municipalities requesting roll-over of the same grant for the third consecutive time.

Short title

11. This Act is called the Northern Cape Main Appropriation Act, 2023.

SCHEDULE

Details of vote		Details of Main Appropriations					
Vote	Title	Total	Current Payments			Transfers & Subsidies	Payments for Capital Assets
			Compensation of Employees	Goods and Services	Other		
		R'000	R'000	R'000	R'000	R'000	R'000
1	Office of the Premier <i>To provide strategic leadership, direction and coordinated planning, monitoring and evaluation of developmental programmes to improve quality of life for all.</i>	408 732	168 172	205 121	-	32 935	2 504
	1 Administration	134 009	67 949	53 518	-	12 003	539
	2 Institutional Development	229 095	65 535	149 370	-	12 497	1 693
	3 Policy and Governance	45 628	34 688	2 233	-	8 435	272
2	Provincial Legislature <i>To serve the people of the Northern Cape by building a developmental institution, for effective law making, public participation, accountability and oversight over the executive and municipalities.</i>	188 654	112 152	40 524	-	35 978	-
	1 Administration	77 189	56 251	20 354	-	584	-
	2 Facilities for Members and Political Parties	54 529	11 398	7 737	-	35 394	-
	3 Parliamentary Services.....	56 936	44 503	12 433	-	-	-
3	Transport, Safety and Liaison <i>To coordinate and facilitate safety and security through civilian oversight over the police, promotion of good community police relations, coordination of integrated social crime prevention, traffic law enforcement, transport systems, administration and road safety education and awareness.</i>	340 132	179 650	80 351	-	70 183	9 948
	1 Administration	122 973	65 778	53 679	-	2 000	1 516
	2 Civilian Oversight.....	32 908	24 359	5 874	-	-	2 675
	3 Transport Operations	85 289	12 576	4 347	-	68 183	183
	4 Transport Regulation.....	98 962	76 937	16 451	-	-	5 574
4	Education <i>To provide quality public education, guided by our vision, and a transformed education system that reflects and advances the interests and aspirations of all the people of the Northern Cape.</i>	8 067 489	5 725 800	1 110 252	-	810 808	420 629
	1 Administration	770 719	499 277	230 202	-	3 700	37 540
	2 Public Ordinary Schools Education.....	5 818 354	4 851 839	298 759	-	667 426	330
	3 Independent School Subsidy	11 500	-	-	-	11 500	-
	4 Public Special School Education.....	190 340	164 309	7 255	-	18 150	626
	5 Early Childhood Development.....	207 202	110 540	14 772	-	81 780	110
	6 Infrastructure Development.....	717 249	30 000	307 498	-	-	379 751
	7 Examination and Education Related Services.....	352 125	69 835	251 766	-	28 252	2 272

SCHEDULE

Details of vote		Details of Main Appropriations					
Vote	Title	Total	Current Payments			Transfers & Subsidies	Payments for Capital Assets
			Compensation of Employees	Goods and Services	Other		
		R'000	R'000	R'000	R'000	R'000	R'000
5	Roads and Public Works <i>Aim: To provide and maintain all provincial land, building and road infrastructure in an integrated sustainable manner.</i>	2 164 999	310 083	1 450 240	-	165 579	239 097
	1 Administration.....	187 845	103 747	76 443	-	3 084	4 571
	2 Public Works Infrastructure.....	242 611	45 666	38 285	-	158 660	-
	3 Transport Infrastructure	1 624 479	145 461	1 252 218	-	3 835	222 965
	4 Community Based Programme	110 064	15 209	83 294	-	-	11 561
6	Economic Development and Tourism <i>To create an enabling economic growth and development in the Northern Cape Province.</i>	328 185	110 754	88 359	-	124 786	4 286
	1 Administration.....	78 898	54 862	22 365	-	-	1 671
	2 Integrated Economic Development Services	64 269	17 608	10 235	-	35 870	556
	3 Trade Sector Development	75 414	6 149	17 440	-	51 619	206
	4 Business Regulation and Governance.....	42 920	8 082	2 856	-	31 722	260
	5 Economic Planning.....	19 665	12 479	5 129	-	1 500	557
	6 Tourism	47 019	11 574	30 334	-	4 075	1 036
7	Sport, Arts and Culture <i>To serve the people of the Northern Cape by promoting, protecting and developing sport and the diverse cultures of the province, at the same time be catalyst in developing programme, economic empowerment and other activities, thereby entrenching nation building and cohesion.</i>	411 690	202 367	103 734	-	72 198	33 391
	1 Administration.....	98 387	61 407	21 295	-	2 358	13 327
	2 Cultural Affairs.....	60 339	33 671	11 747	-	14 631	290
	3 Library and Archives Services.....	192 751	87 619	42 340	-	44 448	18 344
	4 Sport and Recreation.....	60 213	19 670	28 352	-	10 761	1 430
8	Provincial Treasury <i>To render timeous and service delivery to clients through the promotion of efficient, effective and transparent economic use of provincial resources and ensuring the alignment of strategic plans and budgets to the Provincial Growth and Development Strategies.</i>	310 674	235 527	62 010	180	2 223	10 734
	1 Administration.....	131 196	79 251	42 120	-	2 223	7 602
	2 Sustainable Fiscal Resource Management.....	35 568	29 410	5 718	-	-	440
	3 Supply Chain Management, Asset and Liabilities.....	34 721	30 329	3 280	180	-	932
	4 Financial Governance.....	25 158	20 978	2 803	-	-	1 377
	5 Municipal Finance Management.....	45 348	40 321	4 697	-	-	330
	6 Provincial Internal Audit.....	38 683	35 238	3 392	-	-	53

SCHEDULE

Vote	Details of vote Title	Details of Main Appropriations					
		Total	Current Payments			Transfers & Subsidies	Payments for Capital Assets
			Compensation of Employees	Goods and Services	Other		
		R'000	R'000	R'000	R'000	R'000	R'000
9	Co-operative Governance, Human Settlements and Traditional Affairs <i>To improve the quality of life for all to promote, partner and monitor systems and structures geared at meeting socio-economic and service delivery needs, for all citizens of the Northern Cape.</i>	797 501	319 059	86 895	–	372 097	19 450
	1 Administration	205 345	119 490	69 639	–	618	15 598
	2 Human Settlements.....	431 618	51 733	8 660	–	370 291	934
	3 Co-operative Governance.....	131 028	122 911	5 312	–	100	2 705
	4 Traditional Affairs.....	29 510	24 925	3 284	–	1 088	213
10	Health <i>To promote the health of the people of the Northern Cape, by providing quality health care, by means of the District Health System based on the Primary Health Care approach.</i>	6 108 843	3 570 745	2 207 038	–	44 240	286 820
	1. Administration	252 237	167 075	80 366	–	2 145	2 651
	2 District Health Services.....	2 798 871	1 748 169	1 005 844	–	20 463	24 395
	3 Emergency Medical Services.....	425 984	256 968	138 573	–	552	29 891
	4 Provincial Hospital Services.....	495 453	338 965	154 693	–	1 546	249
	5 Central Hospital Services	1 307 486	877 062	412 699	–	1 887	15 838
	6 Health Sciences and Training.....	181 602	56 276	105 376	–	17 647	2 303
	7 Health Care Support Services.....	137 031	91 568	40 751	–	–	4 712
	8. Health Facilities Management.....	510 179	34 662	268 736	–	–	206 781
11	Social Development <i>To provide together with all partners, quality welfare services, especially to all the needy and vulnerable.</i>	945 773	474 480	241 569	–	198 629	31 095
	1 Administration	170 915	116 529	37 980	–	2 322	14 084
	2 Social Welfare Services.....	167 190	44 251	38 808	–	80 264	3 867
	3 Children and Families.....	223 382	113 031	43 908	–	61 292	5 151
	4 Restorative Services.....	218 568	134 315	76 113	–	3 762	4 378
	5 Development and Research.....	165 718	66 354	44 760	–	50 989	3 615
12	Agriculture, Environmental Affairs, Rural Development and Land Reform <i>Aim: To champion land and agrarian transformation, promote and facilitate increased production, conserve and protect natural resources to ensure economic growth, improved livelihoods and food security for present and future generations. Conserve and protect the natural environment for the benefit, enjoyment and welfare of present and future generations by integrating sustainable utilization with socio-economic development.</i>	706 850	385 780	233 165	–	4 895	83 010
	1 Administration	203 667	131 638	66 085	–	2 000	3 944
	2 Sustainable Resource Management	28 022	18 419	9 271	–	–	332
	3 Agricultural Producer Support and Development	244 962	55 304	114 811	–	–	74 847
	4 Veterinary Services.....	50 136	42 479	6 439	–	–	1 218
	5 Research and Technology Development Services	62 544	45 604	13 044	–	2 895	1 001
	6 Agricultural Economics Services.....	12 570	8 774	3 523	–	–	273
	7 Rural Development	25 467	17 917	7 026	–	–	524
	8 Environment and Nature Conservation	79 482	65 645	12 966	–	–	871
Amount to be Voted		20 779 522	11 794 569	5 909 258	180	1 934 551	1 140 964

Direct Charge: Provincial Legislature Members
Total Payments as per Fiscal Framework 2023

26 972 26 972
20 806 494 11 821 541

Annexure A**FRAMEWORK FOR LOCAL GOVERNMENT GRANTS****LIBRARY SERVICES**

Name of Allocation	Library Services Transfers to Municipalities
Transferring provincial department	Sport, Arts and Culture
Purpose	To have a transformed urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at national, provincial and local level.
Measurable outputs	Increased staff capacity, current awareness services, promotion and outreach activities, general operational support, maintenance and upgrading of infrastructure.
Conditions	Grant to be utilized for personnel expenditure, maintenance, upgrading, literacy projects and library material in line with the signed Memorandum of Agreement and Business Plan between the Department of Sport, Arts and Culture and municipalities.
Allocation criteria	Costed Business Plans submitted by the municipalities listing projects and programmes to be evaluated by the Department against the predetermined criteria.
Monitoring mechanisms	Municipalities to sign an agreement with the Department of Sport, Arts and Culture submitting monthly and quarterly reports.
Projected life	2023/24 MTEF
Payment schedule	

ANNEXURE A

				Library Services					
				Provincial and Municipal Financial Year			Provincial and Municipal Financial Year		
Category	DC	Number	Municipality	2023/24 Allocation (R'000)	2024/25 Allocation (R'000)	2025/26 Allocation (R'000)	2023/24 Allocation (R'000)	2024/25 Allocation (R'000)	2025/26 Allocation (R'000)
Department: Sport, Arts and Culture									
B	DC45	NC451	Joe Morolong	1 252	1 182	1 234	1 252	1 182	1 234
B	DC45	NC452	Ga-Segonyana	1 252	1 310	1 370	1 252	1 310	1 370
B	DC45	NC453	Gamagara	1 043	1 091	1 141	1 043	1 091	1 141
C	DC45	DC45	John Taolo Gaetsewe District Municipality						
Total: John Taolo Gaetsewe District				3 547	3 583	3 745	3 547	3 583	3 745
B	DC6	NC061	Richtersveld	1 252	1 310	1 370	1 252	1 310	1 370
B	DC6	NC062	Nama Khoi	1 565	1 637	1 712	1 565	1 637	1 712
B	DC6	NC064	Kamiesberg	1 043	1 091	1 141	1 043	1 091	1 141
B	DC6	NC065	Hantam	1 773	1 855	1 940	1 773	1 855	1 940
B	DC6	NC066	Karoo Hoogland	1 252	1 310	1 370	1 252	1 310	1 370
B	DC6	NC067	Khai-Ma	1 252	1 310	1 370	1 252	1 310	1 370
C	DC6	DC6	Namakwa District Municipality						
Total: Namakwa District				8 137	8 513	8 903	8 137	8 513	8 903
B	DC7	NC071	Ubuntu	1 460	1 527	1 597	1 460	1 527	1 597
B	DC7	NC072	Umsobomvu	1 669	1 746	1 826	1 669	1 746	1 826
B	DC7	NC073	Ernthanjeni	1 043	1 091	1 141	1 043	1 091	1 141
B	DC7	NC074	Kareeberg	1 252	1 310	1 370	1 252	1 310	1 370
B	DC7	NC075	Renosterberg	1 460	1 527	1 597	1 460	1 527	1 597
B	DC7	NC076	Thembelihle	1 043	1 091	1 141	1 043	1 091	1 141
B	DC7	NC077	Siyathemba	1 356	1 418	1 484	1 356	1 418	1 484
B	DC7	NC078	Siyancuma	1 460	1 527	1 597	1 460	1 527	1 597
C	DC7	DC7	Pixley ka Seme District Municipality						
Total: Pixley ka Seme District				10 743	11 237	11 753	10 743	11 237	11 753
B	DC8	NC082	Kai! Garib	1 147	1 200	1 255	1 147	1 200	1 255
B	DC8	NC084	IKheis	1 043	1 091	1 141	1 043	1 091	1 141
B	DC8	NC085	Tsantsabane	1 356	1 418	1 484	1 356	1 418	1 484
B	DC8	NC086	Kgatelopele	1 147	1 200	1 255	1 147	1 200	1 255
B	DC8	NC087	Dawid Kruiper	3 129	3 273	3 423	3 129	3 273	3 423
C	DC8	DC8	ZF Mcgawu District Municipality						
Total: ZF Mcgawu District				7 822	8 182	8 558	7 822	8 182	8 558
B	DC9	NC091	Sol Plaatje	8 866	9 274	9 700	8 866	9 274	9 700
B	DC9	NC092	Dikgatlong	1 252	1 310	1 370	1 252	1 310	1 370
B	DC9	NC093	Magareng	1 147	1 200	1 255	1 147	1 200	1 255
B	DC9	NC094	Phokwane	1 250	1 308	1 368	1 250	1 308	1 368
C	DC9	DC9	Frances Baard District Municipality						
Total: Frances Baard District				12 515	13 092	13 693	12 515	13 092	13 693
Unallocated by municipality or % of provincial allocation									
Provincial Total				42 764	44 607	46 652	42 764	44 607	46 652

Summary of allocations						
Metropolitan						
Districts						
Locals	42 764	44 607	46 652	41 721	43 516	45 511
Urban Nodes	8 866	9 274	9 700	8 866	9 274	9 700
Rural Nodes						