

GAUTENG PROVINCIAL LEGISLATURE

**GAUTENG PROVINCIAL
UNAUTHORISED EXPENDITURE
BILL, 2022**

*(As introduced in the Provincial Legislature of the Province of Gauteng as a Money Bill in
terms of Rule 192(2) of the Standing Rules of the Legislature
(Version 5 – Revision 8) (proposed section 120 Bill)
(The English Text is the official text of the Bill)*

(MEMBER OF THE EXECUTIVE COUNCIL RESPONSIBLE FOR FINANCE)

[G003—2022]

BILL

To provide for the authorisation of the unapproved unauthorised expenditure incurred by the Gauteng Provincial Government from the Provincial Revenue Fund; and to provide for matters incidental thereto or connected therewith.

BE IT ENACTED by the Provincial Legislature of the Province of Gauteng, as follows:—

Authorisation of the unapproved unauthorised expenditure incurred by the Gauteng Department of Health from the Provincial Revenue Fund

1. (1) Expenditure to the amount of R10 759 000.00 incurred by the Gauteng Department of Health during the financial year ended on 31 March 2006, in respect of private security sourced; and the procurement of machinery and equipment, which the Standing Committee on Public Accounts did not recommend for authorisation, is hereby not authorised. 5

(2) The expenditure mentioned in subsection (1) is set out in Schedule 1. 10

(3) The relevant vote is, in terms of section 34(2) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), charged with the expenditure on the funds allocated for the next or future financial years under that vote.

Short title

2. This Act is called the Gauteng Provincial Unauthorised Expenditure Act, 2022. 15

SCHEDULE

NOT APPROVED			
Vote	Vote Name	Financial Year	Amount
4	Gauteng Department of Health	2006	10 759 000.00
	TOTAL		10 759 000.00

MEMORANDUM ON THE OBJECTS OF THE GAUTENG PROVINCIAL GOVERNMENT UNAUTHORISED EXPENDITURE BILL, 2022

1. BACKGROUND

In 2005/06, the Gauteng Department of Health incurred unauthorised expenditure to the total amount of R10 759 000.00 in lieu of payment made in respect of private security that was sourced to curb theft and losses at health facilities; and the procurement of machinery and equipment of the newly built Steve Biko Academic Hospital.

The Standing Committee on Public Accounts heard evidence on the report of the Auditor-General on the Financial Statements for the Gauteng Department of Health in respect of the above-mentioned financial year.

After careful deliberations the Standing Committee on Public Accounts recommended that the Provincial Legislature not to approve the above-mentioned amount. However, as set out in the Schedule 1 to the Bill, the amount will be a direct charge against the funds allocated for the next or future financial years under Vote 4 in terms of section 34(2) of the Public Finance Management Act, 1999 (Act No. 1 of 1999).

It is expected that departments meet the requirements of the Public Finance Management Act, 1999 (Act No. 1 of 1999), in the forthcoming financial years.

2. PURPOSE OF THE BILL

The purpose of the Bill is authorisation by the Provincial Legislature of the amount of R10 759 000.00 as recommended by the Standing Committee on Public Accounts.

3. SOCIAL IMPACT

None

4. ENVIRONMENTAL IMPACT

None

5. FINANCIAL IMPLICATIONS

The amount of R10 759 000.00 not recommended for approval by the Standing Committee on Public Accounts by the Provincial Legislature will become a direct charge against the budget of the department in terms of section 34(2) of the Public Finance Management Act, 1999 (Act No. 1 of 1999). This will effectively reduce the budget of the Gauteng Department of Health for the next or future financial years.

6. OTHER DEPARTMENTS OR BODIES CONSULTED

- Gauteng Provincial Government;
- Auditor-General of South Africa; and
- Provincial Legislature.

7. CLAUSE BY CLAUSE DESCRIPTION

Clause 1 provides for the authorisation of unapproved unauthorised expenditure to the amount of R10 759 000.00 as a direct charge against the budget of the Gauteng Department of Health. Clause 2 contains the short title of the Bill.

The Schedule provides details of the unauthorised expenditure incurred by the Gauteng Department of Health which the Standing Committee on Public Accounts did not recommend for authorisation by the Provincial Legislature as a direct charge against the budget of the Department.

The budget of the Gauteng Department of Health will be reduced with expenditure for Vote 4 during the financial year commencing April 2022 and ending March 2023 to the amount of R10 759 000.00.

The payment was in respect of private security that was sourced to curb theft and losses at health facilities; and the procurement of machinery and equipment of the newly built Steve Biko Academic Hospital.