

REPUBLIC OF SOUTH AFRICA

---

# **DIVISION OF REVENUE BILL**

---

*(As introduced in the National Assembly (proposed section 76); explanatory summary of  
Bill published in Government Gazette No. 36180 of 22 February 2013)  
(The English text is the official text of the Bill)*

---

(MINISTER OF FINANCE)

**[B2—2013]**

ISBN 978-1-4850-0075-4

No. of copies printed ..... 1 800

# BILL

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2013/14 financial year and the responsibilities of all three spheres pursuant to such division; and to provide for matters connected therewith.

## PREAMBLE

**WHEREAS** section 214(1) of the Constitution of the Republic of South Africa, 1996, requires an Act of Parliament to provide for—

- (a) the equitable division of revenue raised nationally among the national, provincial and local spheres of government;
- (b) the determination of each province's equitable share of the provincial share of that revenue; and
- (c) any other allocations to provinces, local government or municipalities from the national government's share of that revenue, and any conditions on which those allocations may be made;

**WHEREAS** section 7(3) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), requires the introduction of the Division of Revenue Bill at the same time as the Appropriation Bill is introduced,

**B**E IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:—

## ARRANGEMENT OF PROVISIONS OF ACT

*Sections*

### CHAPTER 1

5

#### INTERPRETATION AND OBJECTS OF ACT

1. Interpretation
2. Objects of Act

### CHAPTER 2

#### EQUITABLE SHARE ALLOCATIONS

10

3. Equitable division of revenue raised nationally among spheres of government
4. Equitable division of provincial share among provinces
5. Equitable division of local government share among municipalities
6. Shortfalls and excess revenue

**CHAPTER 3****CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES***Part 1**Conditional allocations*

- |    |   |   |
|----|---|---|
| 7. | Conditional allocations to provinces      | 5 |
| 8. | Conditional allocations to municipalities |   |

*Part 2**Duties of accounting officers in respect of Schedule 4 to 7 allocations*

- |     |   |    |
|-----|---|----|
| 9.  | Duties of transferring national officer in respect of Schedule 4 allocations                  |    |
| 10. | Duties of transferring national officer in respect of Schedule 5 and 6 allocations            | 10 |
| 11. | Duties of receiving officer in respect of Schedule 4 allocations                              |    |
| 12. | Duties of receiving officer in respect of Schedule 5 or 7 allocations                         |    |
| 13. | Duties of receiving officer in respect of infrastructure conditional allocations to provinces |    |
| 14. | Duties in respect of annual financial statements and annual reports for 2013/14               | 15 |

*Part 3**Matters relating to Schedule 4 to 7 allocations*

- |     |   |    |
|-----|---|----|
| 15. | Publication of allocations and frameworks                 |    |
| 16. | Expenditure in terms of purpose and subject to conditions |    |
| 17. | Withholding of allocation                                 | 20 |
| 18. | Stopping of allocation                                    |    |
| 19. | Re-allocation of funds                                    |    |
| 20. | Conversion of allocations                                 |    |
| 21. | Unspent conditional allocations                           |    |

*Part 4*

25

*Matters relating to Schedule 1 to 7 allocations*

- |     |                               |  |
|-----|-------------------------------|--|
| 22. | Payment schedule              |  |
| 23. | Amendment of payment schedule |  |

**CHAPTER 4****MATTERS RELATING TO ALL ALLOCATIONS**

30

- |     |   |    |
|-----|---|----|
| 24. | Transfers made in error or fraudulently                                     |    |
| 25. | New allocations during financial year and Schedule 7 allocations            |    |
| 26. | Preparations for next financial year and 2015/16 financial year             |    |
| 27. | Transfers before commencement of Division of Revenue Acts for 2013 and 2014 | 35 |

**CHAPTER 5****DUTIES AND POWERS OF MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY**

- |     |  |    |
|-----|--|----|
| 28. | Duties of municipalities                   |    |
| 29. | Duties and powers of provincial treasuries | 40 |
| 30. | Duties and powers of National Treasury     |    |

**CHAPTER 6****GENERAL**

31. Allocations by public entities to provinces or municipalities	
32. Liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations	5
33. Irregular expenditure	
34. Financial misconduct	
35. Delegations and assignments	
36. Exemptions	
37. Regulations	10
38. Repeal of laws	
39. Short title and commencement	

**SCHEDULE 1**

Equitable division of revenue raised nationally among the three spheres of government

**SCHEDULE 2** 15

Determination of each province's equitable share of the provincial sphere's share of revenue raised nationally (as a direct charge against the National Revenue Fund)

**SCHEDULE 3**

Determination of each municipality's equitable share of the local government sphere's share of revenue raised nationally 20

**SCHEDULE 4***Part A*

Allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets

*Part B* 25

Allocations to municipalities to supplement the funding of programmes or functions funded from municipal budgets

**SCHEDULE 5***Part A*

Specific purpose allocations to provinces 30

*Part B*

Specific purpose allocations to municipalities

**SCHEDULE 6***Part A*

Allocations-in-kind to provinces for designated special programmes 35

*Part B*

Allocations-in-kind to municipalities for designated special programmes

## SCHEDULE 7

### Part A

Provision to specifically cater for immediate release of funds to provinces for disaster response

### Part B

5

Provision to specifically cater for immediate release of funds to municipalities for disaster response

## CHAPTER 1

### INTERPRETATION AND OBJECTS OF ACT

#### Interpretation 10

1. (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 or the Municipal Finance Management Act has the meaning assigned to it in the Act in question, and—

“**accreditation**” means accreditation of a municipality, in terms of section 10(2) of the Housing Act, 1997 (Act No. 107 of 1997), to administer national housing programmes, read with Part 3 of the National Housing Code, 2009 (Financial Interventions: Accreditation of Municipalities);

“**allocation**” means the equitable share allocation to the national sphere of government in Schedule 1, a province in Schedule 2 or a municipality in Schedule 3, or a conditional allocation;

“**category A, B or C municipality**” means a category A, B or C municipality envisaged in section 155(1) of the Constitution;

“**conditional allocation**” means an allocation to a province or municipality from the national government’s share of revenue raised nationally, envisaged in section 214(1)(c) of the Constitution, as set out in Schedule 4, 5, 6 or 7;

“**Constitution**” means the Constitution of the Republic of South Africa, 1996;

“**corporation for public deposits account**” means a bank account of the Provincial Revenue Fund held with the Corporation for Public Deposits, established by the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984);

“**Education Infrastructure Grant**” means the Education Infrastructure Grant referred to in Part A of Schedule 4;

“**financial year**” means, in relation to—

(a) a national or provincial department, the year ending 31 March 2014; or

(b) a municipality, the year ending 30 June 2014;

“**framework**” means the conditions and other information in respect of a conditional allocation published by the National Treasury in terms of section 15 or 25;

“**Health Facility Revitalisation Grant**” means the Health Facility Revitalisation Grant referred to in Part A of Schedule 5;

“**Human Settlements Development Grant**” means the Human Settlements Infrastructure Grant referred to in Part A of Schedule 5;

“**legislation**” means national legislation or provincial legislation as defined in section 239 of the Constitution;

“**level one accreditation**” means accreditation to render beneficiary management, subsidy budget planning and allocation, and priority programme management and administration, of national housing programmes;

“**level three accreditation**” means an executive assignment to administer all aspects, including financial administration, of national housing programmes;

“**level two accreditation**” means accreditation to render full programme management and administration of all housing instruments and national housing programmes in addition to the responsibilities under a level one accreditation;

“**Municipal Finance Management Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

- “next financial year”** means, in relation to—
- (a) a national or provincial department, the year ending 31 March 2015; or
  - (b) a municipality, the year ending 30 June 2015;
- “organ of state”** means an organ of state as defined in section 239 of the Constitution; 5
- “overpayment”** means the transfer of more than the allocated amount of an allocation or the transfer of an allocation not in accordance with a payment schedule;
- “Provincial Roads Maintenance Grant”** means the Provincial Roads Maintenance Grant referred to in Part A of Schedule 4; 10
- “payment schedule”** means a schedule which sets out—
- (a) the amount of each transfer of an equitable share or any conditional allocation in terms of this Act to be transferred to a province or municipality in the financial year;
  - (b) the date on which each transfer must be paid; and 15
  - (c) to whom, and to which bank account, each transfer must be paid;
- “prescribe”** means prescribe by regulation in terms of section 37;
- “primary bank account”** in relation to—
- (a) a province, means a bank account of the Provincial Revenue Fund, envisaged in section 21(2) of the Public Finance Management Act and which the accounting officer of the provincial treasury has certified to the National Treasury; and 20
  - (b) a municipality, means the bank account of the municipality as determined in terms of section 8 of the Municipal Finance Management Act;
- “Public Finance Management Act”** means the Public Finance Management Act, 1999 (Act No. 1 of 1999); 25
- “Public Transport Operations Grant”** means the Public Transport Operations Grant referred to in Part A of Schedule 4;
- “quarter”** means, in relation to—
- (a) a national or provincial department, the period from— 30
    - (i) 1 April to 30 June;
    - (ii) 1 July to 30 September;
    - (iii) 1 October to 31 December; or
    - (iv) 1 January to 31 March; or
  - (b) a municipality— 35
    - (i) 1 July to 30 September;
    - (ii) 1 October to 31 December;
    - (iii) 1 January to 31 March; or
    - (iv) 1 April to 30 June;
- “receiving officer”** means, in relation to— 40
- (a) a Schedule 4, 5, 6 or 7 allocation transferred to a province, the accounting officer of the provincial department which receives that allocation or a portion thereof for expenditure via an appropriation from its Provincial Revenue Fund; or
  - (b) a Schedule 4, 5, 6 or 7 allocation transferred or provided in kind to a municipality, the accounting officer of the municipality; 45
- “receiving provincial department”** in relation to a Schedule 4, 5, 6 or 7 allocation transferred to a province, means the provincial department which receives that allocation or a portion thereof for expenditure via an appropriation from its Provincial Revenue Fund; 50
- “School Infrastructure Backlogs Grant”** means the School Infrastructure Backlogs Grant referred to in Part A of Schedule 6;
- “Technical Secondary Schools Recapitalisation Grant”** means the Technical Secondary Schools Recapitalisation Grant referred to in Part A of Schedule 5;
- “this Act”** includes any framework or allocation published, or any regulation made in terms of this Act; 55
- “transferring national officer”** means the accounting officer of a national department that transfers a Schedule 4, 5 or 7 allocation to a province or municipality or spends a Schedule 6 allocation on behalf of a province or municipality; 60
- “Urban Settlements Development Grant”** means the Urban Settlements Development Grant referred to in Part B of Schedule 4.

(2) Any approval, certification, decision, determination, instruction, notification or request in terms of this Act must be in writing.

### **Objects of Act**

2. The objects of this Act are to—
- (a) provide for the equitable division of revenue raised nationally among the three spheres of government; 5
  - (b) promote predictability and certainty in respect of all allocations to provinces and municipalities, in order that provinces and municipalities may plan their budgets over a multi-year period and thereby promote better coordination between policy, planning and budgeting; 10
  - (c) promote transparency and accountability in the resource allocation process, by ensuring that all allocations are reflected on the budgets of provinces and municipalities and by ensuring that the expenditure of conditional allocations is reported on by the receiving provincial departments and municipalities. 15

## **CHAPTER 2** 15

### **EQUITABLE SHARE ALLOCATIONS**

#### **Equitable division of revenue raised nationally among spheres of government**

3. (1) Revenue raised nationally in respect of the financial year must be divided among the national, provincial and local spheres of government for their equitable share allocations as set out in Column A of Schedule 1. 20

(2) An envisaged division of revenue anticipated to be raised in respect of the next financial year and the 2015/16 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 1.

#### **Equitable division of provincial share among provinces** 25

4. (1) Each province's equitable share of the provincial share of revenue raised nationally in respect of the financial year is set out in Column A of Schedule 2.

(2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the next financial year and the 2015/16 financial year, and which is subject to the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 2. 30

(3) The National Treasury must transfer each province's equitable share allocation referred to in subsection (1) to the corporation for public deposits account of the province, in accordance with the payment schedule determined in terms of section 22.

#### **Equitable division of local government share among municipalities** 35

5. (1) Each municipality's share of local government's equitable share of revenue raised nationally in respect of the financial year is set out in Column A of Schedule 3.

(2) An envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the next financial year and the 2015/16 financial year, and which is subject to the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3. 40

(3) The National Treasury must transfer each municipality's equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on 5 July 2013, 29 November 2013 and 21 March 2014, in accordance with the payment schedule determined in terms of section 22. 45

#### **Shortfalls and excess revenue**

6. (1) If the actual revenue raised nationally in respect of the financial year falls short of the anticipated revenue set out in Column A of Schedule 1, the national government bears the shortfall.

(2) If the actual revenue raised nationally in respect of the financial year exceeds the anticipated revenue set out in Column A of Schedule 1, the excess accrues to the national government, and may be used to reduce borrowing or pay debt as part of its share of revenue raised nationally.

(3) A portion of national government's equitable share or excess revenue envisaged in subsection (2), may be appropriated through the applicable legislation envisaged in section 12 of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), to make further allocations to—

- (a) national departments; or
- (b) provinces or municipalities, as a conditional or an unconditional allocation.

### CHAPTER 3

#### CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

##### *Part 1*

##### *Conditional allocations*

#### **Conditional allocations to provinces** 15

7. (1) Conditional allocations to provinces for the financial year from the national government's share of revenue raised nationally are set out in—

- (a) Part A of Schedule 4, specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets;
- (b) Part A of Schedule 5, specifying specific-purpose allocations to provinces; 20
- (c) Part A of Schedule 6, specifying allocations-in-kind to provinces for designated special programmes; and
- (d) Part A of Schedule 7, specifying funds that are not allocated to specific provinces, that may be released to provinces to fund disaster response within a period from three days up to three months following a declared disaster in terms of the conditions of the Disaster Management Act, 2002 (Act No. 57 of 2002). 25

(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the next financial year and the 2015/16 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 30

(3) (a) The Health Facility Revitalisation Grant consists of the Health Infrastructure Grant Component, the Hospital Revitalisation Grant Component and Nursing Colleges and Schools Grant Component. 35

(b) The national transferring officer must submit proposed allocations per grant component for each province to the National Treasury for approval and publication in terms of paragraph (c).

(c) The National Treasury must, within 14 days after this Act takes effect, publish by notice in the *Gazette* the allocations per grant component for every province. 40

(d) Subject to such conditions as the National Treasury may determine, the National Treasury may, on request of the national transferring officer, or in its discretion after consultation with the national transferring officer, approve amendments to the allocations for a grant component for a province.

(e) The approval of an amendment in terms of paragraph (d) takes effect on the date of the notification conveying the approval to the national transferring officer. 45

(f) The national transferring officer must, within 7 days after receipt of the notification referred to in paragraph (e), notify the affected receiving officer of the approval of an amendment in terms of paragraph (d).

(g) The National Treasury must, within 14 days after each quarter, publish by notice in the *Gazette* all amendments approved in terms of paragraph (d) during that quarter. 50

#### **Conditional allocations to municipalities**

8. (1) Conditional allocations to local government in respect of the financial year from the national government's share of revenue raised nationally are set out in—

- (a) Part B of Schedule 4, specifying allocations to municipalities to supplement the funding of functions funded from municipal budgets;
- (b) Part B of Schedule 5, specifying specific-purpose allocations to municipalities;
- (c) Part B of Schedule 6, specifying allocations-in-kind to municipalities for designated special programmes; and 5
- (d) Part B of Schedule 7, specifying funds that are not allocated to specific municipalities, that may be released to local government or municipalities to fund disaster response within a period from three days up to three months following a declared disaster in terms of the conditions of the Disaster Management Act, 2002 (Act No. 57 of 2002). 10

(2) An envisaged division of conditional allocations to local government from the national government's share of revenue anticipated to be raised nationally for the next financial year and the 2015/16 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 15

(3) Funding approved by the National Treasury for specific transport contracts for capital projects from the indicative allocations for the Public Transport Infrastructure Grant listed in Column B of Part B of Schedule 5, may not be altered downwards in the Division of Revenue Acts for the next financial and 2015/16 financial year. 20

(4) (a) A municipality may only with the approval of the National Treasury pledge, offer as security or commit to a person or institution any envisaged conditional allocation to the municipality for the next financial year and the 2015/16 financial year, for the purpose of securing a loan or any other form of financial or other support from that person or institution. 25

(b) Before making a decision, the National Treasury must—

- (i) notify the relevant transferring national officer of the approval sought by a municipality and that the officer may submit comment to the National Treasury regarding the approval sought, within five working days after notification or such longer period as the National Treasury may approve; and 30
- (ii) consider any comment so submitted by the officer.

## **Part 2**

### ***Duties of accounting officers in respect of Schedule 4 to 7 allocations***

#### **Duties of transferring national officer in respect of Schedule 4 allocations** 35

9. (1) The transferring national officer of a Schedule 4 allocation is responsible for—
- (a) ensuring that transfers to all provinces and municipalities are—
    - (i) deposited only into the primary bank account of a province or municipality; and
    - (ii) made in accordance with the payment schedule approved in terms of section 22, unless allocations are withheld or stopped in terms of section 17 or 18; 40
  - (b) monitoring financial and non-financial performance information on programmes partially or fully funded by an allocation, other than the Urban Settlements Development Grant, in accordance with subsection (2) and the requirements of the applicable framework; 45
  - (c) complying with the requirements of the applicable framework;
  - (d) submitting a monthly provincial report on infrastructure expenditure partially or fully funded by the allocation within 30 days after the end of each month to the National Treasury, in the format determined by the National Treasury; 50
  - (e) submitting a quarterly non-financial performance report within 45 days after the end of each quarter to the National Treasury in terms of the relevant framework; and
  - (f) evaluating the performance of programmes funded or partially funded by the allocation and the submission of such evaluations to the National Treasury, within four months in respect of a provincial department, and six months in respect of a municipality, after the end of the financial year. 55

(2) Any monitoring programme or system that is utilised to monitor financial and non-financial performance information on a programme partially or fully funded by a Schedule 4 allocation must—

- (i) be approved by the National Treasury;
- (ii) not impose any excessive administrative responsibility on receiving officers beyond the provision of standard management information; 5
- (iii) be compatible and integrated with and not unnecessarily duplicate other relevant national, provincial and local systems; and
- (iv) support compliance with section 11(2).

**Duties of transferring national officer in respect of Schedules 5 and 6 allocations** 10

**10.** (1) A transferring national officer of a Schedule 5 or 6 allocation must—

- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that—
  - (i) frameworks are reasonable and do not impose excessive administrative responsibility on receiving provincial departments and municipalities beyond the provision of standard management information; 15
  - (ii) monitoring provisions are compatible and integrated with and do not duplicate other relevant national, provincial and local systems; and
  - (iii) in respect of a Schedule 5 allocation, any business plans requested in respect of how allocations will be utilised by a province or municipality, as the case may be, have been approved before the start of the financial year. 20
- (b) in respect of Schedule 5 allocations—
  - (i) transfer funds only after receipt of all information required in terms of this Act and submission of all relevant information to the National Treasury; 25
  - (ii) transfer funds only in accordance with the payment schedule determined in terms of section 22; and
  - (iii) deposit funds only into the primary bank account of a province or municipality; and 30
- (c) ensure that all other provisions of this Act and the relevant framework for the particular allocation necessary for the transfer of an allocation are complied with. 30

(2) The transferring national officer must submit all relevant information and documentation referred to in subsection (1)(a) to the National Treasury within 14 days after this Act takes effect. 35

(3) A transferring national officer who has not complied with subsection (1), must transfer the allocation in the manner instructed by the National Treasury, including transferring the allocation as an unconditional allocation.

(4) Before making the first transfer of any allocation in terms of subsection (1)(b), the transferring national officer must take note of any notice in terms of section 30(1) containing the details of the relevant primary bank accounts. 40

(5) The transferring national officer of a Schedule 5 allocation to a municipality is responsible for monitoring financial and non-financial performance information on programmes funded by the allocation. 45

(6) Any transferring national officer of a Schedule 5 or 6 allocation must, as part of the reporting envisaged in section 40(4)(c) of the Public Finance Management Act, submit information, in the format determined by the National Treasury, for the month in question, and for the financial year up to the end of that month, on—

- (a) the amount of funds transferred to a province or municipality; 50
- (b) the amount of funds withheld or stopped from any province or municipality, the reasons for the withholding or stopping and the steps taken by the transferring national officer and the receiving officer to deal with the matters or causes that necessitated the withholding or stopping of the payment;
- (c) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 allocation; 55
- (d) the actual expenditure incurred by the transferring national officer in respect of a Schedule 6 allocation;
- (e) any matter or information that may be required by the relevant framework for the particular allocation; and 60
- (f) such other matters as the National Treasury may determine.

- (7) A transferring national officer must submit to the National Treasury—
- (a) a monthly provincial report on infrastructure expenditure partially or fully funded by the Health Facility Revitalisation Grant or Technical Secondary Schools Recapitalisation Grant within 30 days after the end of each month, in the format determined by the National Treasury; and 5
  - (b) a quarterly performance report of all programmes partially or fully funded by a Schedule 5 or 6 allocation within 45 days after the end of each quarter, in accordance with the requirements of the relevant framework.
- (8) The transferring national officer must evaluate the performance of all programmes partially or fully funded by a Schedule 5 or 6 allocation and submit such evaluations to the National Treasury, within four months in respect of a provincial department, and six months in respect of a municipality, after the end of the financial year. 10
- (9) The transferring national officer for the Human Settlements Development Grant must—
- (a) in consultation with the receiving officer and the National Treasury, determine the allocations for the financial year and the indicative allocations for the next financial year and the 2015/16 financial year from the Human Settlements Development Grant for each municipality that has level one or two accreditation; 15
  - (b) submit the allocations and indicative allocations to the National Treasury not later than 28 days after this Act takes effect; and 20
  - (c) publish by notice in the *Gazette* the allocations and indicative allocations within 14 days after the submission thereof to the National Treasury.

#### **Duties of receiving officer in respect of Schedule 4 allocations**

- 11.** (1) The receiving officer of a Schedule 4 allocation is responsible for— 25
- (a) complying with the relevant framework for the Schedule 4 allocation; and
  - (b) the manner in which the Schedule 4 allocation received from a national transferring officer is allocated and spent.
- (2) The receiving officer of a municipality must—
- (a) ensure and certify to the National Treasury that the municipality— 30
    - (i) indicates each programme partially or fully funded by a Schedule 4 allocation in its annual budget and that the Schedule 4 allocation is specifically and exclusively appropriated in that budget according to the purpose of the allocation; and
    - (ii) makes public, in terms of section 21A of the Municipal Systems Act, the conditions and other information in respect of the allocation, to facilitate performance measurement and the use of required inputs and outputs; and 35
  - (b) when submitting the municipality's statements in terms of section 71 of the Municipal Finance Management Act for September 2013, December 2013, March 2014 and June 2014, report to the transferring national officer, the relevant provincial treasury and the National Treasury— 40
    - (i) in respect of the Urban Settlements Development Grant, on financial performance against the measures defined in its service delivery and budget implementation plan; and 45
    - (ii) in respect of any other Schedule 4 allocation, on financial performance of programmes partially or fully funded by the allocation; and
  - (c) within 30 days after the end of each quarter, report to the transferring national officer and the National Treasury—
    - (i) in respect of the Urban Settlements Development Grant, on non-financial performance for that quarter against the measures defined in its service delivery and budget implementation plan; and 50
    - (ii) in respect of any other Schedule 4 allocation, on non-financial performance of programmes partially or fully funded by the allocation. 55
- (3) The National Treasury must make the report submitted to it in terms of subsection (2)(b) or (c) available to any other national departments that have responsibilities relating to the allocation.
- (4) The receiving officer in a province must submit to the relevant provincial treasury and the transferring national officer—
- (a) as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports on financial and non-financial performance of programmes partially or fully funded by a Schedule 4 allocation; 60

- (b) a quarterly non-financial performance report of programmes partially or fully funded by a Schedule 4 allocation within 30 days after the end of each quarter; and
- (c) a monthly provincial report on infrastructure programmes partially or fully funded by a Schedule 4 allocation within 15 days after the end of each month, in the format determined by the National Treasury. 5

(5) The receiving officer must report on programmes partially or fully funded by a Schedule 4 allocation against the relevant framework in its annual financial statements and annual report.

(6) (a) The receiving officer must, within two months after the end of the financial year, evaluate the financial and non-financial performance of the province or municipality, as the case may be, in respect of programmes partially or fully funded by a Schedule 4 allocation and submit such evaluation to the transferring national officer and the relevant provincial treasury. 10

(b) A municipality that receives the Urban Settlements Development Grant must report financial and non-financial performance information against its capital budget in terms of section 71 of the Municipal Finance Management Act. 15

(c) The reporting on performance with respect to the Urban Settlements Development Grant must be based on the infrastructure budget and service delivery and budget implementation plan of the municipality concerned. 20

### **Duties of receiving officer in respect of Schedule 5 or 7 allocations** 20

**12.** (1) The receiving officer of a Schedule 5 or 7 allocation must ensure compliance with the relevant framework.

(2) The relevant receiving officer must, in respect of a Schedule 5 or 7 allocation transferred to— 25

- (a) a province, as part of the report required in section 40(4)(c) of the Public Finance Management Act, report on the matters referred to in subsection (3) and submit a copy of that report to the relevant provincial treasury and the transferring national officer;
- (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant transferring national officer; and 30
- (c) a province or a municipality, submit a quarterly non-financial performance report within 30 days after the end of each quarter to the transferring national officer and the relevant provincial treasury. 35

(3) A report for a province in terms of subsection (2)(a) must set out for that month and for the financial year up to the end of that month—

- (a) the amount received by the province; 40
- (b) the amount of funds stopped or withheld from the province;
- (c) the actual expenditure by the province in respect of Schedule 5 and 7 allocations;
- (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or to assist the province in implementing such a programme; 45
- (e) the available figures regarding the expenditure by a public entity referred to in paragraph (d);
- (f) the extent of compliance with this Act and with the conditions of an allocation provided for in a framework, based on the available information at the time of reporting; 50
- (g) an explanation of any material problems experienced by the province regarding an allocation which has been received and a summary of the steps taken to deal with such problems;
- (h) any matter or information that may be prescribed in the relevant framework for the particular allocation; and 55
- (i) such other issues and information as the National Treasury may determine.

(4) A report for a municipality in terms of subsection (2)(b) must set out for that month and for the financial year up to the end of that month—

- (a) the amount received by the municipality;
- (b) the amount of funds stopped or withheld from the municipality; 60

- (c) the extent of compliance with this Act and with the conditions of an allocation or part of an allocation provided for in a framework;
  - (d) an explanation of any material problems experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such problems; 5
  - (e) any matter or information that may be determined in the relevant framework for the particular allocation; and
  - (f) such other matter and information as the National Treasury may determine.
- (5) A receiving officer must, within two months after the end of the financial year, evaluate the performance in respect of programmes or functions partially or fully funded by an allocation and submit such evaluation to the transferring national officer and the relevant provincial treasury. 10
- (6) The receiving officer of the Human Settlements Development Grant must, in consultation with the transferring national officer, publish in the *Gazette* within 14 days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant, for the financial year, the next financial and the 2015/16 financial year per municipality with level one or level two accreditation, separately indicating the expenditure to be undertaken directly by the province, and transfers to each municipality. 15

### **Duties of receiving officer in respect of infrastructure conditional allocations to provinces 20**

- 13.** (1) The receiving officer of the Education Infrastructure Grant, Health Facility Revitalisation Grant or Provincial Roads Maintenance Grant must—
- (a) within 14 days after this Act takes effect, publish in the provincial *Gazette* a list of infrastructure projects for education, health and roads that will require full or partial funding from conditional allocations from the next financial year and the 2015/16 financial year, in the format determined by the National Treasury; 25
  - (b) within seven days after the publication, submit the published list to the national transferring officer and the National Treasury; and 30
  - (c) publish in the provincial *Gazette* any amendment to the list and submit it to the national transferring officer, the provincial treasury and the National Treasury.
- (2) The receiving officer of the Education Infrastructure Grant, Health Facility Revitalisation Grant or Provincial Roads Maintenance Grant must— 35
- (a) within 14 days after this Act takes effect or another date approved by the National Treasury, submit to the transferring national officer and the National Treasury, the approved organisational structure of the affected provincial department that— 40
    - (i) complies with the Public Service Act, 1994 (Proclamation No. 103 of 1994), applicable to infrastructure delivery in the sector; and
    - (ii) includes an indication of the number of— 45
      - (aa) posts per profession and the highest educational qualifications of the incumbent and years of experience in the management or operationalisation of infrastructure in the public sector; and
      - (bb) vacancies and existing positions filled;
  - (b) report on all infrastructure expenditure partially or fully funded by the grant to the transferring national officer and the National Treasury in the format determined by the National Treasury;
  - (c) maintain a database of every contract that is fully or partially funded by the grant and, if the contract is above the prescribed tender value, ensure that it is recorded in the register of projects in terms of section 22(3) of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000); 50
  - (d) ensure that infrastructure projects comply with construction industry best practise standards and guidelines, as identified and approved by the National Treasury; and 55
  - (e) within two months after the end of the financial year—
    - (i) evaluate the financial and non-financial performance of the province in respect of programmes partially or fully funded by the grant based on the infrastructure budget of the province; and
    - (ii) submit the evaluation to the transferring national officer, the relevant provincial treasury and the National Treasury. 60

### **Duties in respect of annual financial statements and annual reports for 2013/14**

- 14.** (1) The 2013/14 financial statements of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the total amount of that allocation transferred to a province or municipality; 5
  - (b) indicate any transfer withheld or stopped in terms of section 17 or 18 in respect of each province or municipality;
  - (c) indicate any reallocations by the National Treasury in terms of section 19;
  - (d) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality; and 10
  - (e) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer.
- (2) The 2013/14 annual report of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation indicate— 15
- (a) the reasons for the withholding or stopping of any transfers to a province or municipality in terms of section 17 or 18;
  - (b) to what extent provinces or municipalities were monitored for compliance with this Act; 20
  - (c) to what extent the allocation achieved its objectives and outputs; and
  - (d) any non-compliance with this Act, and the steps taken to address such non-compliance.
- (3) The 2013/14 financial statements of a provincial department responsible for receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation— 25
- (a) indicate the total amount of all allocations received;
  - (b) indicate the total amount of actual expenditure on all allocations except Schedule 4 allocations; and
  - (c) certify that all transfers of allocations in Schedule 4, 5 and 7 to the province were deposited into the primary bank account of the province. 30
- (4) The 2013/14 annual report of a provincial department receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate to what extent the provincial department complied with this Act;
  - (b) indicate the steps taken to address non-compliance with this Act; 35
  - (c) indicate the extent to which the objectives and outputs of the allocation were achieved;
  - (d) contain any other information that may be specified in the relevant framework for the allocation; and
  - (e) contain such other information as the National Treasury may determine. 40
- (5) The 2013/14 financial statements and annual report of a municipality receiving an allocation in Schedule 4, 5 or 7 must be prepared in accordance with the Municipal Finance Management Act.
- (6) The National Treasury may determine how transferring departments and receiving municipalities report on allocations to municipalities on a quarterly basis, to facilitate the audit of allocations for the financial year. 45

### **Part 3**

#### ***Matters relating to Schedule 4 to 7 allocations***

#### **Publication of allocations and frameworks**

- 15.** (1) The National Treasury must, within 14 days after this Act takes effect, publish by notice in the *Gazette*— 50
- (a) the allocations per municipality for Part B of Schedule 5 allocations;
  - (b) the indicative allocations per municipality for Part B of Schedule 6 allocations; and
  - (c) the framework for each allocation in Schedules 4 to 7. 55
- (2) For purposes of correcting an error or omission in an allocation or framework published in terms of subsection (1), the National Treasury must—

- (a) after consultation with or at the written request of a transferring national officer; and
  - (b) in the case of a proposed amendment of a framework, after submitting the proposed amendment to Parliament for comment for a period of 14 days when Parliament is in session, 5
- by notice in the *Gazette* amend the affected allocation or framework.
- (3) An amendment in terms of subsection (2) takes effect on the date of publication of the notice in the *Gazette*.

### **Expenditure in terms of purpose and subject to conditions**

- 16.** (1) Despite anything to the contrary in any other legislation, an allocation referred to in Schedules 4 to 7 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the applicable framework. 10
- (2) A receiving officer may not transfer any Schedule 5 allocation thereof to any other entity or other sphere of government for the performance of a function envisaged in terms of the allocation, unless the receiving officer and that entity or other sphere of government, with the approval of the National Treasury, agreed to a payment schedule and— 15
- (a) it is a transfer that is approved in the budget of the receiving provincial department or municipality or the applicable framework;
  - (b) it is a payment for services rendered or goods received, which services or goods were procured in accordance with the supply chain management policy or procurement policy of the relevant province or municipality and for which adequate documentation for payment has been received; or 20
  - (c) in the case of an advance payment or a transfer which is not consistent with the budget of the receiving provincial department or municipality— 25
    - (i) the receiving officer has certified to the National Treasury that the transfer is not an attempt to artificially inflate its expenditure estimates and that there are good reasons for the advance payment or transfer; and
    - (ii) the National Treasury has approved the advance payment or transfer.
- (3) For purposes of the implementation of a Schedule 6 allocation to a municipality— 30
- (a) Eskom Holdings Limited may receive funds directly from the transferring national officer of the Department of Energy;
  - (b) a water board, as defined in section 1 of the Water Services Act, 1997 (Act No. 108 of 1997), may receive funds directly from the transferring national officer of the Department of Water Affairs or the Department of Human Settlements. 35
- (4) (a) For purposes of the Human Settlements Development Grant, a receiving officer and a municipality with level one, two or three accreditation as at 1 April 2013, must, by the date determined by the National Treasury, comply with subsection (2) by—
- (i) entering into a payment schedule; and
  - (ii) submitting the payment schedule to the National Treasury for approval. 40
- (b) If a municipality receives accreditation after 1 April 2013, the National Treasury may approve that paragraph (a) applies.
- (c) If the transfer of the Human Settlements Development Grant to a municipality with level three accreditation is withheld or stopped in terms of section 17 or 18, the receiving officer must request the National Treasury to amend the payment schedule in terms of section 23. 45
- (5) If a function fully or partially funded by the Human Settlements Development Grant is assigned by a province to a municipality having a level 3 accreditation, as envisaged in section 10 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)— 50
- (a) funds from that Grant for the province for the function must be stopped in terms of section 18 and reallocated in terms of section 19 to the municipality which has been assigned the function;
  - (b) any project or contract regarding the function must, if possible, be finalised by the province before the date the function is assigned and, if not finalised, the province must notify the relevant municipality and the National Treasury; 55
  - (c) any project or contract regarding the function not finalised at the date at which the function is assigned, must be subjected to an external audit and the province and the municipality must enter into an agreement to cede to the municipality all contracts related to the function; 60

- (d) money that is retained by the province for any contract related to the function that is not ceded to the municipality must be spent by 31 March 2014 and will not be available in terms of section 30 of the Public Finance Management Act or section 28(6)(c); and
- (e) the receiving officer of the province must submit to the national transferring officer and the National Treasury a list of liabilities attached to the function, that were not transferred to the municipality within seven days after the function is assigned to provide for the adjustment of the applicable allocations. 5
- (6) Subsection (5) applies, with the necessary changes, if a function that is fully or partially funded by the Public Transport Operations Grant, is assigned by a province to a municipality, as envisaged in section 10 of the Local Government: Municipal Systems Act, 2000. 10
- (7) A project funded by the Human Settlements Development Grant that is initiated after 1 April 2013, must be done in terms of an agreement with the municipality and aligned to the allocations for the municipality in the applicable framework. 15

### **Withholding of allocation**

17. (1) Subject to subsections (2) and (3), a transferring national officer may withhold the transfer of a Schedule 4 or 5 allocation, or any portion thereof, for a period not exceeding 30 days, if— 20
- (a) the province or municipality does not comply with any provision of this Act;
- (b) roll-overs of conditional allocations approved by the National Treasury in terms of section 21 have not been spent; or
- (c) expenditure on previous transfers during the financial year reflects significant under-expenditure, for which no satisfactory explanation is given. 25
- (2) If an allocation is withheld in terms of subsection (1), it suspends the applicable payment schedule approved in terms of section 22(3) until it is amended in terms of section 23(1).
- (3) The amount withheld in terms of this section in the case of the Health Professions Training and Development Grant and the National Tertiary Services Grant listed in Part A of Schedule 4 may not exceed five per cent of the next transfer as contained in the relevant payment schedule. 30
- (4) A transferring national officer must, at least seven working days before withholding an allocation in terms of subsection (1)—
- (a) give the relevant receiving officer— 35
- (i) notice of the intention to withhold the allocation; and
- (ii) an opportunity to submit written representations as to why the allocation should not be withheld; and
- (b) inform the relevant provincial treasury and the National Treasury, and in respect of any conditional allocation to a municipality, also the provincial department responsible for local government. 40
- (5) A notice envisaged in subsection (4) must include the reasons for withholding the allocation and the intended duration of the withholding to inform the amendment of the payment schedule in terms of section 23.
- (6) (a) The National Treasury may instruct, or approve a request from, the transferring national officer to withhold an allocation in terms of subsection (1) for a period longer than 30 days, but not exceeding 120 days, if the withholding will— 45
- (i) facilitate compliance with this Act; or
- (ii) minimise the risk of under-spending.
- (b) When requesting the withholding of an allocation in terms of this subsection, a transferring national officer must submit to the National Treasury proof of compliance with subsection (4) and any representations received from the receiving officer. 50
- (c) The transferring national officer must again comply with subsection (4) when the National Treasury instructs or approves a request by the transferring national officer in terms of paragraph (a). 55

### **Stopping of allocation**

18. (1) Despite section 17, the National Treasury may, in its discretion or at the request of a transferring national officer, or a receiving officer, stop the transfer of a Schedule 4 or 5 allocation, or a portion thereof, to a province or municipality—

- (a) on the grounds of persistent and material non-compliance with this Act;
  - (b) if the National Treasury anticipates that a province or municipality will substantially under-spend on that programme or allocation in the financial year;
  - (c) if a function is assigned from a province to a municipality, as envisaged in section 10 of the Local Government: Municipal Systems Act, 2000; or
  - (d) if a province implementing an infrastructure project does not comply with construction industry best practise standards and guidelines, as identified and approved by the National Treasury.
- (2) Except where a function is assigned from a province to a municipality, the National Treasury must, before stopping an allocation in terms of this section—
- (a) comply with section 17(4)(a), and in respect of a municipality, also with section 38 of the Municipal Finance Management Act; and
  - (b) inform the relevant provincial treasury of its intention to stop the allocation.
- (3) The National Treasury must give notice in the *Gazette* of the stopping of an allocation in terms of this section and include in the notice the effective date of, and reason for, the stopping.
- (4) (a) The National Treasury may, by notice in the *Gazette*, approve that an allocation or any portion of such allocation stopped in terms of this section, be utilised to meet any outstanding statutory or contractual financial commitment of the province or municipality in question.
- (b) The utilisation of funds envisaged in this subsection is a direct charge against the National Revenue Fund.

### Reallocation of funds

19. (1) (a) When a Schedule 4 or 5 allocation or a portion thereof is stopped in terms of section 18, the National Treasury may, after consultation with the transferring national officer and the relevant provincial treasury, determine that the allocation or a portion thereof be reallocated, as the same type of allocation as it was allocated originally, to one or more provinces or municipalities, on condition that the allocation must be spent in the financial year or the next financial year.
- (b) The National Treasury must—
- (i) give notice in the *Gazette* of a reallocation; and
  - (ii) provide a copy of the notice to the transferring national officer and each affected receiving officer.
- (c) The reallocation of an allocation or a portion thereof on condition that it must be spent in the next financial year, must be regarded as a roll-over approved by the National Treasury in terms of section 21(2), and any regulations regarding the process for roll-overs, made in terms of section 76 of the Public Finance Management Act, do not apply.
- (2) (a) When an intervention in terms of section 100 or 139 of the Constitution or section 137, 139 or 150 of the Municipal Finance Management Act takes place, the National Treasury may, despite subsection (1) and on such conditions as it may determine, authorise, in relation to—
- (i) section 100 of the Constitution, the transferring national officer to spend an allocation stopped in terms of section 18 on behalf of the relevant province;
  - (ii) section 139 of the Constitution or sections 137 and 139 of the Municipal Finance Management Act, the intervening province to spend an allocation stopped in terms of section 18 on behalf of the relevant municipality; or
  - (iii) section 150 of the Municipal Finance Management Act, the relevant transferring national officer to spend an allocation stopped in terms of section 18 on behalf of the relevant municipality.
- (b) An allocation that is spent by the transferring national officer or intervening province referred to in paragraph (a) must, for the purposes of this Act, be regarded as a Schedule 6 allocation from the date on which the authorisation is given.
- (3) When a function is assigned by a province to a municipality, as envisaged in section 10 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), the National Treasury must, after consultation with the transferring national officer, determine the portion of the allocation to be reallocated in terms of subsection (1).
- (4) (a) If it is unlikely that a conditional allocation related to infrastructure in Schedule 4, 5 or 6, or a portion thereof, will be spent by the end of the financial year, the

National Treasury may, after consultation with the national transferring officer and the national department responsible for local government, authorise that any part of the likely unspent portion of the allocation be reallocated to pay for the reconstruction and rehabilitation of infrastructure damage caused by a disaster.

(b) The reallocated funds must be utilised in the financial year and for the same conditional allocation and the same province or municipality to which the allocation was originally made. 5

(c) The national transferring officer must determine the conditions for spending the reallocated funds, after consultation with the national department responsible for local government and with the approval of the National Treasury. 10

### Conversion of allocations

20. (1) If satisfied that—

(a) the conversion will prevent under-expenditure or improve the level of service delivery on the allocation in question; and

(b) the affected national or provincial department or municipality has demonstrated the capacity to implement projects, 15

the National Treasury may, in its discretion or at the request of the transferring national officer and the affected receiving officer, convert any portion of—

(i) an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6;

(ii) an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5; 20

(iii) the School Infrastructure Backlogs Grant to the Education Infrastructure Grant; or

(iv) the National Health Grant listed in Part A of Schedule 6 to the relevant component of the Health Facility Revitalisation Grant or the National Health Insurance Grant listed in Part A of Schedule 5. 25

(2) Any portion of an allocation converted in terms of subsection (1) must be utilised for the same province or municipality to which the allocation was originally made.

(3) The National Treasury must—

(a) give notice in the *Gazette* of a conversion in terms of subsection (1); and

(b) provide a copy of the notice to the transferring national officer and each affected receiving officer. 30

(4) A conversion in terms of subsection (1) takes effect on the date of publication of the notice in terms of subsection (3)(a).

### Unspent conditional allocations

21. (1) Despite anything to the contrary in the Public Finance Management Act or the Municipal Finance Management Act, any conditional allocation, or a portion thereof, that is not spent at the end of the financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2). 35

(2) The National Treasury may, at the request of a transferring national officer, receiving officer or provincial treasury, approve a roll-over of a conditional allocation to the next financial year if the unspent funds are committed to identifiable projects. 40

(3) (a) The receiving officer must ensure that any funds that must revert to the National Revenue Fund in terms of subsection (1), are paid into that Fund.

(b) The receiving officer must—

(i) in the case of a provincial department, request the rollover of unspent funds through its provincial treasury; and 45

(ii) inform the transferring national officer of all processes regarding the request.

(4) The National Treasury may, in accordance with subsection (5), offset any funds which must revert to the National Revenue Fund in terms of subsection (1), but which have not yet been paid into that Fund— 50

(a) in the case of a province, against future advances for conditional allocations to that province; or

(b) in the case of a municipality, against future advances for the equitable share or conditional allocations to that municipality.

(5) Before any funds are offset in terms of subsection (4), the National Treasury must give the relevant transferring national officer, province or municipality— 55

(a) notice of the intention to offset amounts against future advances for allocations; and

- (b) an opportunity, within 14 days of receipt of the notice, to—
- (i) submit written representations and other written proof that the allocation, or a portion thereof, was either spent in terms of the relevant framework or is committed to identifiable projects;
  - (ii) propose alternative means acceptable to the National Treasury by which the unspent allocations can be paid into the National Revenue Fund; and 5
  - (iii) propose an alternative payment schedule in terms of which the unspent allocations will be paid into the National Revenue Fund.
- (6) A notice referred to in subsection (5) must include the intended amount to be offset against allocations and the reasons for offsetting the amounts. 10

#### **Part 4**

#### ***Matters relating to Schedule 1 to 7 allocations***

#### **Payment schedule**

**22.** (1) (a) The National Treasury must, after consultation with the accounting officer of the provincial treasury, determine the payment schedule for the transfer of a province's equitable share allocation. 15

(b) In determining the payment schedule, the National Treasury must take into account the monthly expenditure commitments of provinces and seek to minimise risk and debt servicing costs for national and provincial government.

(c) Despite paragraph (a), the National Treasury may, for cash management purposes relating to the corporation for public deposits account or when an intervention in terms of section 100 of the Constitution takes place, on such conditions as it may determine, advance funds to a province in respect of its equitable share or a portion of it which has not yet fallen due for transfer in terms of the payment schedule. 20

(d) Any advances in terms of paragraph (c) must be offset against transfers to the province which would otherwise become due in terms of the payment schedule. 25

(2) (a) The National Treasury must, after consultation with the accounting officer of the national department responsible for local government, determine the payment schedule for the transfer of a municipality's equitable share allocation.

(b) Despite paragraph (a), National Treasury may approve a request or direct that the equitable share or a portion of the equitable share which has not yet fallen due for transfer in terms of the payment schedule, be advanced to a municipality— 30

(i) after consultation with the accounting officer of the national department responsible for local government;

(ii) for purposes of cash management in the municipality or an intervention in terms of section 139 of the Constitution or section 137, 139 or 150 of the Municipal Finance Management Act; and 35

(iii) on such conditions as it may determine.

(c) Any advances in terms of paragraph (b) must be offset against transfers to the municipality which would otherwise become due in terms of the payment schedule. 40

(3) (a) Subject to section 27(1), the National Treasury must, within 14 days after this Act takes effect, approve the payment schedule for the transfer of an allocation listed in Schedule 4 or 5 to a province or municipality.

(b) The transferring national officer of a Schedule 4 or 5 allocation must submit a payment schedule to the National Treasury for approval before the first transfer is made. 45

(c) Before the submission of a payment schedule in terms of paragraph (b), the transferring national officer must, in relation to—

(i) a Schedule 4 allocation, consult the relevant receiving officer; and

(ii) a Schedule 5 allocation, consult the relevant province or municipality.

(d) The National Treasury must determine the requirements regarding payment schedules for the transfer of allocations listed in Schedule 6. 50

(4) The transferring national officer of a Schedule 4 or 5 allocation must provide the receiving officer and the relevant provincial treasury with a copy of the approved payment schedule before making the first transfer in terms thereof.

(5) The transfer of a Schedule 4 or 5 allocation to a municipality must accord with the financial year. 55

### **Amendment of payment schedule**

**23.** (1) (a) Subject to subsection (2), a transferring national officer of a Schedule 4 or 5 allocation must, within seven days of the withholding or stopping of an allocation in terms of section 17 or 18, submit an amended payment schedule to the National Treasury for approval. 5

(b) No transfers may be made until the National Treasury has approved the amended payment schedule.

(2) For purposes of better debt and cash-flow management or addressing financial mismanagement or financial misconduct or slow or accelerated expenditure, the National Treasury may amend any payment schedule for an allocation listed in Schedule 2, 3, 4 or 5, after notifying, in the case of— 10

(a) an allocation to a province, the accounting officer of the provincial treasury in question;

(b) an allocation to a municipality, the accounting officer of the national department responsible for local government; 15

(c) a Schedule 4 or 5 allocation, the relevant transferring national officer.

(3) A payment schedule amended in terms of subsection (1) or (2) must take into account—

(a) the monthly expenditure commitments of provinces or municipalities;

(b) the revenue at the disposal of provinces or municipalities; and 20

(c) the minimisation of risk and debt servicing costs for all three spheres of government.

(4) The transferring national officer must immediately inform the receiving officer of any amendment to a payment schedule in accordance with subsection (1) or (2).

## **CHAPTER 4**

25

### **MATTERS RELATING TO ALL ALLOCATIONS**

#### **Transfers made in error or fraudulently**

**24.** (1) Despite anything to the contrary in any legislation, the transfer of an allocation that is an overpayment to a province, municipality or public entity, made in error or fraudulently, is regarded as not legally due to that province, municipality or public entity, as the case may be. 30

(2) The responsible transferring national officer must, without delay, recover an overpayment referred to subsection (1), unless an instruction has been issued in terms of subsection (3).

(3) The National Treasury may instruct that the recovery referred to in subsection (2) be effected by set-off against future transfers to the affected province, municipality or public entity in terms of a payment schedule. 35

#### **New allocations during financial year and Schedule 7 allocations**

**25.** (1) If further allocations are made to provinces or municipalities, as envisaged in terms of section 6(3), the National Treasury must, before the transfer of any funds to a province or municipality, by notice in the *Gazette* and as applicable— 40

(a) amend any allocation or framework published in terms of section 15(1), as amended in terms of section 15(2);

(b) publish the allocation per municipality for any new Part B of Schedule 5 allocation or the indicative allocation per municipality for any new Part B of Schedule 6 allocation; or 45

(c) publish a framework for any new Schedule 4, 5, 6 or 7 allocation.

(2) Section 15(2) and (3) applies with the necessary changes to allocations and frameworks published in terms of subsection (1).

(3) (a) The transferring national officer may, with the approval of the National Treasury, transfer a Schedule 7 allocation to a province or municipality. 50

(b) The transferring national officer must notify the relevant provincial treasury and the National Treasury within 14 days of a transfer of a Schedule 7 allocation to a province or municipality.

(c) The National Treasury must publish a Schedule 7 allocation by notice in the *Gazette* within 21 days after being notified in terms of paragraph (b). 55

(d) Schedule 7 allocations must be appropriated either in the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriation legislation.

### Preparations for next financial year and 2015/16 financial year

26. (1) (a) A category C municipality that receives a conditional allocation in terms of this Act must, using the indicative conditional allocations to that municipality for the next financial year and the 2015/16 financial year as set out in Column B of the Schedules to this Act, by 2 October 2013— 5

(i) agree on the provisional allocations and the projects to be funded from those allocations in the next financial year and the 2015/16 financial year with each category B municipality within the category C municipality's area of jurisdiction; and 10

(ii) submit to the transferring national officer—

(aa) the provisional allocations referred to in subparagraph (i); and

(bb) the projects referred to in subparagraph (i), listed per municipality to be funded from the allocations for the next financial year and the 2015/16 financial year. 15

(b) If a category C municipality and a category B municipality cannot agree on the allocations and projects referred to in paragraph (a), the category C municipality must request the relevant transferring national officer to facilitate agreement. 20

(c) The transferring national officer must take all necessary steps to facilitate agreement as soon as possible, but no later than 60 days after receiving a request referred to in paragraph (b).

(d) Any proposed amendment or adjustment of the allocations that is intended to be published in terms of section 29(3)(b) must be agreed with the relevant category B municipality, the transferring national officer and the National Treasury, before publication and the submission of the allocations referred to in paragraph (a)(ii). 25

(e) If agreement is not reached between the category C municipality and the category B municipality on the provisional allocations and projects referred to in paragraph (a) before 2 October 2013, the National Treasury may determine the provisional allocations and provide those provisional allocations to the municipalities concerned and the transferring national officer. 30

(f) (i) The final allocations based on the provisional allocations referred to in paragraph (a)(i) and (ii) and (e) must be submitted to the National Treasury by 6 December 2013. 35

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 6 December 2013, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the next financial year.

(2) (a) The transferring national officer of a conditional allocation, using the indicative conditional allocations for the next financial year and the 2015/16 financial year as set out in Column B of the Schedules to this Act, must, by 2 October 2013, submit to the National Treasury for approval— 40

(i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the next financial year; 45

(ii) any amendments to the indicative allocations for each province or municipality set out in Column B of the Schedules in respect of existing conditional allocations; and

(iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii) in the format to be determined by the National Treasury. 50

(b) Any proposed amendment or adjustment for the next financial year of the allocation criteria of an existing conditional allocation must be agreed with the National Treasury before the submission of the provisional allocations and draft frameworks referred to in paragraph (a)(ii) and (iii).

(c) If the transferring national officer fails to comply with paragraph (a) by 2 October 2013, the National Treasury may determine— 55

(i) the provisional allocations in paragraph (a)(i);

(ii) any amendments to the indicative allocations contemplated in paragraph (a)(ii); and

(iii) the draft frameworks for the allocations referred to in paragraph (a)(iii), and submit that information to the relevant provinces or municipalities. 60

(d) (i) The final allocations based on the provisional allocations referred to in paragraph (a)(i) and (ii) must be submitted to the National Treasury by 6 December 2013.

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 6 December 2013, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the next financial year. 5

(3) The National Treasury may, in preparation for the next financial year, instruct transferring national officers and receiving officers to submit to it such plans and information for any conditional allocation as it may determine at specified times before the start of the next financial year. 10

(4) (a) For purposes of the Education Infrastructure or Health Facility Revitalisation Grant in the 2015/16 financial year, the accounting officer of the relevant provincial department must, in the format determined by the National Treasury, submit to the national transferring officer and the National Treasury, by— 15

(i) 5 July 2013, a document setting out the roles and responsibilities of the relevant provincial departments regarding infrastructure delivery, approved by the Executive Council of the province;

(ii) 26 July 2013, a user asset management plan for all infrastructure programmes for the financial, next financial and 2015/16 financial years; and 20

(iii) 20 September 2013, an infrastructure programme management plan and construction procurement strategy for infrastructure programmes envisaged to commence in the 2015/16 financial year.

(b) The National Treasury must, by 6 December 2013, notify the national transferring officer and the affected provincial departments which infrastructure programmes and projects it will propose for full or partial funding through the grant in the financial years in question. 25

#### **Transfers before commencement of Division of Revenue Acts for 2013 and 2014**

27. (1) If an amount of an allocation is transferred in terms of section 27 of the Division of Revenue Act, 2012, before this Act takes effect, the amount is, with the changes required by the context, subject to the applicable framework for the 2012/13 financial year and the other requirements of the Division of Revenue Act, 2012, as if it is an amount of an allocation for the 2012/13 financial year. 30

(2) Despite sections 3(2), 7(2) and 8(2), if the annual Division of Revenue Act for the next financial year has not commenced before or on 1 April 2014, the National Treasury may determine that an amount not exceeding 45 per cent of the total amount of each allocation made in terms of section 3(1), 7(1) or 8(1) be transferred to the relevant province or municipality as a direct charge against the National Revenue Fund. 35

(3) If an amount of an allocation, made in terms of section 7(1) or 8(1), is transferred in terms of subsection (2), the amount is, with the changes required by the context, subject to the applicable framework for the 2013/14 financial year and the other requirements of this Act as if it is an amount of an allocation for the 2013/14 financial year. 40

### **CHAPTER 5**

#### **DUTIES AND POWERS OF MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY 45**

##### **Duties of municipalities**

28. (1) (a) In addition to the requirements of the Municipal Finance Management Act, the accounting officer of a category C municipality must, within 14 days after this Act takes effect, submit to the National Treasury and all category B municipalities within that municipality's area of jurisdiction, the budget, as tabled in accordance with section 16 of the Municipal Finance Management Act, for the 2013/14 financial year and the two following financial years. 50

(b) The budget must indicate all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction and disclose the criteria for allocating funds between the category B municipalities. 55

(2) A category C municipality that is providing a municipal service must, before implementing any capital project for water, electricity, roads or any other municipal service, consult the category B municipalities within whose area of jurisdiction the project will be implemented, and agree in writing which municipality is responsible for the operational costs and the collection of user fees. 5

(3) A category C municipality must ensure that it does not duplicate a function currently performed by a category B municipality and must transfer funds for the provision of services, including basic services, to the relevant category B municipality that is providing municipal services, despite the fact that—

(a) the category C municipality retains the power or function in terms of the Municipal Structures Act; and 10

(b) a service delivery agreement for the provision of services by the category B municipality on behalf of the category C municipality has not been concluded.

(4) A category B municipality which is not authorised to perform a function in terms of the Municipal Structures Act may not extend the scope or type of services that it currently provides, without— 15

(a) entering into a service delivery agreement with the category C municipality which is authorised to perform the function in terms of the Municipal Structures Act; or

(b) obtaining authorisation to perform the function in terms of the Municipal Structures Act. 20

(5) (a) A category C municipality and a category B municipality must, before the commencement of a financial year, agree to a payment schedule in respect of the allocations referred to in subsection (1)(b) to be transferred to the category B municipality in that financial year, and the category C municipality must submit that payment schedule to the National Treasury before the commencement of the financial year. 25

(b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a).

(6) (a) The National Treasury may withhold or stop any allocation to the category C municipality and reallocate the allocation to the relevant category B municipalities if a category C municipality fails to— 30

(i) make allocations referred to in subsection (1)(b);

(ii) reach an agreement envisaged in subsection (2); or

(iii) submit a payment schedule in accordance with subsection (5)(a). 35

(b) Sections 17(3) and 18(3) and (4) of this Act and section 216 of the Constitution apply, with the necessary changes, to the withholding or stopping of an allocation in accordance with paragraph (a).

(c) The National Treasury may, where it stops an allocation in terms of this section, after consultation with the transferring national officer, determine that a portion of the allocation that will not be spent, be reallocated to one or more municipalities, on condition that the allocation will be spent in the financial year or the next financial year. 40

(7) A municipality must ensure that any allocation made to it in terms of this Act, or by a province or another municipality, that is not reflected in its budget as tabled in accordance with section 16 of the Municipal Finance Management Act, is reflected in its budget to be considered for approval in accordance with section 24 of the Municipal Finance Management Act. 45

(8) A municipality with a level three accreditation for the Human Settlements Development Grant must—

(a) ensure that it reports on financial and non-financial performance related to the requirements specified in the relevant framework; and 50

(b) submit the reports to the receiving officer, the transferring national officer and the National Treasury.

### **Duties and powers of provincial treasuries**

**29.** (1) The provincial treasury must reflect allocations in Part A of Schedule 5 to the province separately in the appropriation Bill of the province. 55

(2) (a) The provincial treasury must, on the same day that its budget is tabled in the provincial legislature, or a later date approved by the National Treasury, but not later than 14 days after this Act takes effect, publish by notice in the *Gazette*—

(i) the indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds; 60

- (ii) the indicative allocation to be made per school and per hospital in the province;
  - (iii) the indicative allocation to any national or provincial public entity for the implementation of a programme funded by an allocation in Part A of Schedule 5 on behalf of a province or for assistance provided to the province in implementing such a programme; 5
  - (iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the next financial year and the 2015/16 financial year;
  - (v) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs; and 10
  - (vi) the budget of each school and each hospital in a format determined by the National Treasury.
- (b) The allocations and budgets referred to in paragraph (a) must be regarded as final when the appropriation Act takes effect. 15
- (c) If the provincial legislature amends its appropriation Bill, the provincial treasury must publish amended allocations and budgets by notice in the *Gazette* within 14 days after the appropriation Act takes effect, and those allocations and budget must be regarded as final.
- (3) (a) Despite subsection (2) or any other legislation, a provincial treasury may, in accordance with a framework determined by the National Treasury, amend the allocations referred to in subsection (2) or make additional allocations to municipalities that were not published in terms of subsection (1) or (2). 20
- (b) Any amendments to the allocations published in terms of subsection (2)(a) or (c) must be published by notice in the *Gazette* not later than 14 February 2014 and takes effect on the date of the publication. 25
- (4) A provincial treasury must, as part of its report in terms of section 32(2) of the Public Finance Management Act, in the format determined by the National Treasury, report on—
- (a) actual transfers received by the province from national departments; 30
  - (b) actual expenditure on such allocations, excluding Schedule 4 allocations, up to the end of that month;
  - (c) actual transfers made by the province to municipalities or public entities, and actual expenditure by municipalities or public entities on such allocations, based on the latest information available from municipalities or public entities at the time of reporting; and 35
  - (d) financial and non-financial performance regarding the Education Infrastructure, Health Facility Revitalisation and Provincial Roads Maintenance Grants, received by the province, against its infrastructure budget.
- (5) (a) A provincial treasury must— 40
- (i) ensure that a payment schedule is agreed between each provincial department and receiving institution envisaged in subsection (2)(a);
  - (ii) ensure that transfers are made promptly to the relevant receiving officer in terms of the agreed payment schedule; and
  - (iii) submit the payment schedules to the National Treasury within 14 days after this Act takes effect. 45
- (b) If a provincial department and receiving institution do not agree to a payment schedule in time for submission to the National Treasury, the provincial treasury must, after consultation with the national transferring officer, determine the payment schedule.
- (6) If a provincial treasury fails to make a transfer in terms of subsection (5)(b), the relevant receiving officer may request the provincial treasury to immediately make the transfer or to provide written reasons within three working days as to why the transfer has not been made. 50
- (7) If a provincial treasury fails to make the transfer requested by the receiving officer or provide reasons in terms of subsection (6), or the receiving officer disputes the reasons provided by the provincial treasury as to why the transfer has not been made, the receiving officer may request the National Treasury to investigate the matter. 55
- (8) Upon a request in terms of subsection (7), the National Treasury must—
- (a) consult the national transferring officer on the matter;
  - (b) investigate the matter, assess any reasons given by the provincial treasury as to why the transfer was not made; 60

- (c) direct the provincial treasury to immediately effect the transfer or provide reasons to the receiving officer confirming why the provincial treasury was correct in not making the transfer; and
- (d) advise the provincial treasury and the receiving officer as to what steps must be taken to ensure the transfer. 5

### **Duties and powers of National Treasury**

- 30.** (1) The National Treasury must, within 14 days after this Act takes effect, submit a notice to all transferring national officers containing the details of the primary bank accounts of each province and municipality.
- (2) The National Treasury must, together with the statement envisaged in section 32(2) of the Public Finance Management Act, publish a report on actual transfers of all allocations listed in Schedules 4, 5, 6 and 7 or made in terms of section 25. 10
- (3) The National Treasury may, in any report it publishes that aggregates statements published by provincial treasuries envisaged in section 71(7) of the Municipal Finance Management Act, and in any report in respect of municipal finances, include a report on the equitable share and conditional allocations provided for in this Act. 15

## **CHAPTER 6**

### **GENERAL**

#### **Allocations by public entities to provinces or municipalities**

- 31.** The accounting officer of a provincial department or municipality that receives funds from a public entity as a grant, sponsorship or donation must disclose in its financial statements the purpose and amount of such grant, sponsorship or donation received. 20

#### **Liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations** 25

- 32.** (1) An organ of state involved in an intergovernmental dispute regarding any provision of this Act or any division of revenue matter or allocation must, before approaching a court to resolve such dispute, make every effort to settle the dispute with the other organ of state concerned, including exhausting all mechanisms provided for the settlement of disputes in relevant legislation. 30
- (2) If a dispute is referred back by a court in accordance with section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with subsection (1), the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful.
- (3) The amount of any such fruitless and wasteful expenditure must, in terms of the prescribed procedure, be recovered without delay from the person who caused the organ of state not to comply with the requirements of subsection (1). 35

#### **Irregular expenditure**

- 33.** The following transfers constitute irregular expenditure in terms of the Public Finance Management Act or the Municipal Finance Management Act, as the case may be: 40
- (a) A transfer prohibited in terms of section 16(2);
  - (b) a transfer by a transferring national officer to a bank account of a province or municipality that is not the primary bank account;
  - (c) a transfer envisaged in section 24(1); or 45
  - (d) a transfer made or expenditure of an allocation in contravention of this Act.

#### **Financial misconduct**

- 34.** (1) Despite anything to the contrary in any other legislation, any wilful or negligent non-compliance with a provision of this Act constitutes financial misconduct.

(2) Section 84 of the Public Finance Management Act or section 171 of the Municipal Finance Management Act, as the case may be, applies in respect of financial misconduct envisaged in subsection (1).

### Delegations and assignments

**35.** (1) The Minister may, in writing, delegate any of the powers entrusted to the National Treasury in terms of this Act and assign any of the duties imposed on the National Treasury in terms of this Act, to an official of the National Treasury. 5

(2) A delegation or assignment in terms of subsection (1) to an official of the National Treasury—

- (a) is subject to any limitations or conditions that the Minister may impose; 10
- (b) may authorise that official to subdelegate, in writing, the delegated power or assigned duty to another National Treasury official; and
- (c) does not divest the National Treasury of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty. 15

(3) The Minister may vary or revoke any decision taken by an official as a result of a delegation, subject to any rights that may have vested as a consequence of the decision.

(4) A Member of the Executive Council responsible for finance in a province may, in writing, delegate any of the powers entrusted to the Provincial Treasury of that province in terms of this Act and assign any of the duties imposed on the Provincial Treasury in terms of this Act, to an official of the Provincial Treasury. 20

(5) Subsections (2) and (3) apply with the necessary changes to a delegation or assignment in terms of subsection (4).

### Exemptions

**36.** (1) If a good ground exists, the National Treasury may, on request or in its own discretion and on good grounds, approve a departure from a provision of a framework, a regulation made under section 37 or a condition imposed in terms of this Act. 25

(2) For purposes of subsection (1), good grounds include the fact that the provision of the framework, regulation or condition—

- (a) cannot be implemented in practice;
- (b) impede the achievement of any object of this Act; or 30
- (c) undermines the financial viability of the affected national or provincial department or municipality.

(3) Any departure approved in terms of subsection (1) must set out the period and conditions of the departure, if any, and must be published in the *Gazette*.

### Regulations

**37.** The Minister may, by notice in the *Gazette*, make regulations regarding— 35

- (a) anything which must or may be prescribed in terms of this Act; and
- (b) any ancillary or incidental administrative or procedural matter that it is necessary to prescribe for the proper implementation or administration of this Act. 40

### Repeal of laws

**38.** (1) Subject to section 27(1) and subsection (2), the Division of Revenue Act, 2012 (Act No. 5 of 2012), except sections 15 and 25, is hereby repealed.

(2) The repeal of the Division of Revenue Act, 2012 (Act No. 5 of 2012), does not affect any obligation set out in that Act, the execution of which is still outstanding. 45

### Short title and commencement

**39.** This Act is called the Division of Revenue Act, 2013, and takes effect on 1 April 2013 or the date of publication in the *Gazette*, whichever is the later date.

### SCHEDULE 1

#### EQUITABLE DIVISION OF REVENUE RAISED NATIONALLY AMONG THE THREE SPHERES OF GOVERNMENT

Spheres of Government	Column A	Column B	
	2013/14 Allocation	Forward Estimates	
		2014/15	2015/16
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
National <sup>1,2</sup>	676 920 412	733 566 388	791 822 019
Provincial	337 572 412	359 924 199	383 697 159
Local	40 581 787	44 490 145	50 207 698
<b>TOTAL</b>	<b>1 055 074 611</b>	<b>1 137 980 732</b>	<b>1 225 726 876</b>

1. National share includes conditional allocations to provincial and local spheres, general fuel levy sharing with metropolitan municipalities, debt service cost and the contingency reserve.

2. The direct charges for the provincial equitable share are netted out.

### SCHEDULE 2

#### DETERMINATION OF EACH PROVINCE'S EQUITABLE SHARE OF THE PROVINCIAL SPHERE'S SHARE OF REVENUE RAISED NATIONALLY (as a direct charge against the National Revenue Fund)

Province	Column A	Column B	
	2013/14 Allocation	Forward Estimates	
		2014/15	2015/16
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Eastern Cape	50 164 506	52 337 533	54 611 258
Free State	20 000 325	20 905 461	21 897 266
Gauteng	61 374 917	67 431 166	74 049 582
KwaZulu-Natal	73 509 972	77 812 867	82 110 075
Limpopo	41 361 830	43 264 039	45 268 523
Mpumalanga	27 210 543	29 079 599	31 092 725
Northern Cape	9 021 508	9 620 556	10 264 595
North West	22 754 264	24 419 406	26 216 949
Western Cape	32 174 547	35 053 572	38 186 186
<b>TOTAL</b>	<b>337 572 412</b>	<b>359 924 199</b>	<b>383 697 159</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>EASTERN CAPE</b>				
A	BUF Buffalo City	653 660	656 856	654 044
A	NMA Nelson Mandela Bay	743 325	761 940	772 901
B	EC101 Camdeboo	39 006	40 943	43 371
B	EC102 Blue Crane Route	40 796	42 411	44 607
B	EC103 Ikwezi	16 860	18 186	20 653
B	EC104 Makana	69 044	72 174	75 667
B	EC105 Ndlambe	59 738	64 879	72 949
B	EC106 Sundays River Valley	40 404	46 337	55 159
B	EC107 Baviaans	18 694	20 459	23 484
B	EC108 Kouga	54 165	66 128	81 674
B	EC109 Kou-Kamma	31 384	33 881	37 571
C	DC10 Cacadu District Municipality	75 091	80 338	86 781
<b>Total: Cacadu Municipalities</b>		<b>445 182</b>	<b>485 736</b>	<b>541 916</b>
B	EC121 Mbashe	136 195	163 002	211 166
B	EC122 Mnquma	168 933	191 570	236 239
B	EC123 Great Kei	34 158	36 790	42 494
B	EC124 Amahlathi	96 720	105 532	124 944
B	EC126 Ngqushwa	66 451	71 882	83 511
B	EC127 Nkonkobe	94 338	106 634	131 252
B	EC128 Nxuba	22 307	23 804	26 694
C	DC12 Amathole District Municipality	621 631	662 019	694 475
<b>Total: Amatole Municipalities</b>		<b>1 240 733</b>	<b>1 361 233</b>	<b>1 550 775</b>
B	EC131 Inxuba Yethemba	40 356	40 656	41 139
B	EC132 Tsolwana	27 463	31 354	39 001
B	EC133 Inkwanca	19 355	21 252	25 206
B	EC134 Lukhanji	112 656	118 544	128 228
B	EC135 Intsika Yethu	99 780	116 201	147 419
B	EC136 Emalahleni	78 749	92 189	117 658
B	EC137 Engcobo	86 604	104 165	135 276
B	EC138 Sakhisizwe	42 714	48 690	59 939
C	DC13 Chris Hani District Municipality	385 035	412 881	441 527
<b>Total: Chris Hani Municipalities</b>		<b>892 712</b>	<b>985 932</b>	<b>1 135 393</b>
B	EC141 Elundini	84 626	102 081	133 357
B	EC142 Senqu	98 133	111 140	136 991
B	EC143 Maletswai	24 074	25 448	27 642
B	EC144 Gariep	25 608	26 340	27 760
C	DC14 Joe Gqabi District Municipality	178 958	194 392	211 537
<b>Total: Joe Gqabi Municipalities</b>		<b>411 399</b>	<b>459 401</b>	<b>537 287</b>
B	EC153 Ngquza Hill	126 980	153 791	201 492
B	EC154 Port St Johns	78 040	93 591	121 664
B	EC155 Nyandeni	143 347	169 814	218 287
B	EC156 Mhlontlo	110 614	128 084	160 508
B	EC157 King Sabata Dalindyebo	184 567	206 947	253 784
C	DC15 O.R. Tambo District Municipality	493 970	550 599	614 106
<b>Total: O.R. Tambo Municipalities</b>		<b>1 137 518</b>	<b>1 302 826</b>	<b>1 569 841</b>
B	EC441 Matatiele	118 249	139 223	177 399
B	EC442 Umzimvubu	117 834	136 376	170 923
B	EC443 Mbizana	126 027	145 455	183 149
B	EC444 Ntabankulu	69 894	80 014	99 570
C	DC44 Alfred Nzo District Municipality	319 703	344 069	368 520
<b>Total: Alfred Nzo Municipalities</b>		<b>751 707</b>	<b>845 137</b>	<b>999 561</b>
<b>Total: Eastern Cape Municipalities</b>		<b>6 276 236</b>	<b>6 859 061</b>	<b>7 761 718</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>FREE STATE</b>				
A	MAN Mangaung	605 072	602 710	591 487
B	FS161 Letsemeng	50 434	50 100	49 583
B	FS162 Kopanong	85 634	82 382	78 029
B	FS163 Mohokare	51 873	52 865	54 514
B	FS164 Naledi	38 200	39 235	40 703
C	DC16 Xhariep District Municipality	25 535	29 343	35 005
<b>Total: Xhariep Municipalities</b>		<b>251 676</b>	<b>253 925</b>	<b>257 834</b>
B	FS181 Masilonyana	82 581	84 684	87 776
B	FS182 Tokologo	43 518	43 813	44 497
B	FS183 Tswelopele	61 909	61 962	62 134
B	FS184 Matjhabeng	424 920	415 397	399 963
B	FS185 Nala	130 670	126 013	120 179
C	DC18 Lejweleputswa District Municipality	100 936	105 052	111 194
<b>Total: Lejweleputswa Municipalities</b>		<b>844 534</b>	<b>836 921</b>	<b>825 743</b>
B	FS191 Setsoto	165 019	165 090	165 262
B	FS192 Dihlabeng	129 734	131 161	131 457
B	FS193 Nketoana	78 119	78 872	80 004
B	FS194 Maluti-a-Phofung	361 770	390 798	446 530
B	FS195 Phumelela	56 906	58 214	59 911
B	FS196 Mantsopa	67 071	67 801	68 729
C	DC19 Thabo Mofutsanyana District Municipality	81 281	87 537	98 062
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>939 900</b>	<b>979 473</b>	<b>1 049 955</b>
B	FS201 Moqhaka	164 486	167 008	168 900
B	FS203 Ngwathe	156 191	159 928	165 001
B	FS204 Metsimaholo	101 698	107 333	114 374
B	FS205 Mafube	75 544	76 538	78 085
C	DC20 Fezile Dabi District Municipality	134 501	137 635	140 289
<b>Total: Fezile Dabi Municipalities</b>		<b>632 420</b>	<b>648 442</b>	<b>666 649</b>
<b>Total: Free State Municipalities</b>		<b>3 273 602</b>	<b>3 321 471</b>	<b>3 391 668</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>GAUTENG</b>				
A	EKU Ekurhuleni	1 917 953	2 039 212	2 161 058
A	JHB City of Johannesburg	2 293 212	2 527 926	2 822 727
A	TSH City of Tshwane	1 166 964	1 371 322	1 628 130
B	GT421 Emfuleni	598 857	601 209	596 178
B	GT422 Midvaal	54 673	60 571	67 337
B	GT423 Lesedi	64 253	71 468	81 742
C	DC42 Sedibeng District Municipality	232 785	239 720	246 087
<b>Total: Sedibeng Municipalities</b>		<b>950 568</b>	<b>972 968</b>	<b>991 344</b>
B	GT481 Mogale City	222 291	238 193	255 661
B	GT482 Randfontein	95 880	100 241	102 691
B	GT483 Westonaria	104 957	113 478	125 673
B	GT484 Merafong City	181 074	175 743	167 138
C	DC48 West Rand District Municipality	172 587	178 648	185 485
<b>Total: West Rand Municipalities</b>		<b>776 789</b>	<b>806 303</b>	<b>836 648</b>
<b>Total: Gauteng Municipalities</b>		<b>7 105 486</b>	<b>7 717 731</b>	<b>8 439 907</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>KWAZULU-NATAL</b>				
A	ETH eThekweni	1 869 806	1 990 981	2 101 119
B	KZN211 Vulamehlo	40 580	48 709	62 702
B	KZN212 uMmdoni	33 387	43 748	60 726
B	KZN213 Umzumbe	94 545	105 482	128 104
B	KZN214 uMuziwabantu	49 397	59 169	76 423
B	KZN215 Ezinqoleni	29 480	34 540	43 567
B	KZN216 Hibiscus Coast	92 600	103 875	126 653
C	DC21 Ugu District Municipality	287 183	323 621	366 670
<b>Total: Ugu Municipalities</b>		<b>627 172</b>	<b>719 144</b>	<b>864 845</b>
B	KZN221 uMshwathi	61 423	69 540	85 328
B	KZN222 uMngeni	37 208	40 399	44 603
B	KZN223 Mpofana	23 278	24 858	27 700
B	KZN224 Impendle	25 741	28 098	33 000
B	KZN225 Msunduzi	354 313	373 677	393 300
B	KZN226 Mkhambathini	32 583	39 486	51 522
B	KZN227 Richmond	33 881	41 323	54 362
C	DC22 Umgungundlovu District Municipality	338 828	366 437	394 877
<b>Total: Umgungundlovu Municipalities</b>		<b>907 255</b>	<b>983 818</b>	<b>1 084 692</b>
B	KZN232 Emnambithi/Ladysmith	111 249	118 704	130 197
B	KZN233 Indaka	63 187	67 334	76 123
B	KZN234 Umtshezi	33 196	39 403	50 245
B	KZN235 Okhahlamba	69 121	79 386	98 688
B	KZN236 Imbabazane	68 921	73 945	85 171
C	DC23 Uthukela District Municipality	269 199	286 424	302 679
<b>Total: Uthukela Municipalities</b>		<b>614 873</b>	<b>665 196</b>	<b>743 103</b>
B	KZN241 Endumeni	34 084	37 113	41 381
B	KZN242 Nquthu	79 597	92 273	116 168
B	KZN244 Msinga	81 641	100 938	134 802
B	KZN245 Umvoti	49 358	62 719	85 376
C	DC24 Umzinyathi District Municipality	192 952	212 794	236 226
<b>Total: Umzinyathi Municipalities</b>		<b>437 632</b>	<b>505 837</b>	<b>613 953</b>
B	KZN252 Newcastle	276 638	284 723	296 857
B	KZN253 Emadlangeni	15 507	17 485	21 116
B	KZ254 Dannhauser	52 872	60 196	74 526
C	DC25 Amajuba District Municipality	104 535	112 431	120 442
<b>Total: Amajuba Municipalities</b>		<b>449 552</b>	<b>474 835</b>	<b>512 941</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
B	KZN261 eDumbe	40 352	46 464	57 714
B	KZN262 uPhongolo	66 389	77 124	97 092
B	KZN263 Abaqulusi	85 565	95 691	115 029
B	KZN265 Nongoma	81 160	96 329	124 159
B	KZN266 Ulundi	87 088	101 357	128 392
C	DC26 Zululand District Municipality	276 930	296 860	317 554
<b>Total: Zululand Municipalities</b>		<b>637 484</b>	<b>713 825</b>	<b>839 940</b>
B	KZN271 Umhlabuyalingana	68 319	87 853	121 580
B	KZN272 Jozini	85 485	103 831	137 040
B	KZN273 The Big Five False Bay	17 275	22 514	31 093
B	KZN274 Hlabisa	30 174	37 140	49 351
B	KZN275 Mtubatuba	60 744	81 486	116 884
C	DC27 Umkhanyakude District Municipality	196 603	225 596	260 529
<b>Total: Umkhanyakude Municipalities</b>		<b>458 600</b>	<b>558 420</b>	<b>716 477</b>
B	KZN281 Mfolozi	52 392	67 506	93 955
B	KZN282 uMhlathuze	190 384	204 798	228 096
B	KZN283 Ntambanana	24 403	30 928	42 504
B	KZN284 uMlalazi	91 327	111 120	145 753
B	KZN285 Mthonjaneni	27 730	31 711	38 882
B	KZN286 Nkandla	57 099	66 041	82 996
C	DC28 uThungulu District Municipality	353 909	381 498	406 383
<b>Total: Uthungulu Municipalities</b>		<b>797 244</b>	<b>893 602</b>	<b>1 038 569</b>
B	KZN291 Mandeni	74 289	90 610	119 571
B	KZN292 KwaDukuza	78 566	88 242	106 084
B	KZN293 Ndwedwe	67 373	82 895	110 018
B	KZN294 Maphumulo	54 076	61 172	75 028
C	DC29 iLembe District Municipality	253 386	289 560	332 346
<b>Total: iLembe Municipalities</b>		<b>527 690</b>	<b>612 479</b>	<b>743 047</b>
B	KZN431 Ingwe	57 002	66 137	83 272
B	KZN432 Kwa Sani	12 846	13 634	15 188
B	KZN433 Greater Kokstad	47 950	47 712	47 669
B	KZN434 Ubuhlebezwe	57 039	67 075	85 602
B	KZN435 Umzimkhulu	96 838	116 362	151 506
C	DC43 Sisonke District Municipality	216 056	230 220	243 065
<b>Total: Sisonke Municipalities</b>		<b>487 731</b>	<b>541 140</b>	<b>626 302</b>
<b>Total: KwaZulu-Natal Municipalities</b>		<b>7 815 039</b>	<b>8 659 277</b>	<b>9 884 988</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>LIMPOPO</b>				
B	LIM331 Greater Giyani	148 104	173 860	222 511
B	LIM332 Greater Letaba	146 418	167 647	209 454
B	LIM333 Greater Tzaneen	211 762	236 039	289 971
B	LIM334 Ba-Phalaborwa	69 433	83 307	108 033
B	LIM335 Maruleng	60 742	71 900	92 865
C	DC33 Mopani District Municipality	504 909	558 369	620 072
<b>Total: Mopani Municipalities</b>		<b>1 141 368</b>	<b>1 291 122</b>	<b>1 542 906</b>
B	LIM341 Musina	34 393	39 062	48 052
B	LIM342 Mutale	51 174	64 959	88 990
B	LIM343 Thulamela	290 472	338 870	434 680
B	LIM344 Makhado	256 239	288 042	356 332
C	DC34 Vhembe District Municipality	524 104	589 779	668 296
<b>Total: Vhembe Municipalities</b>		<b>1 156 382</b>	<b>1 320 712</b>	<b>1 596 350</b>
B	LIM351 Blouberg	100 568	117 100	147 981
B	LIM352 Aganang	84 880	98 117	123 471
B	LIM353 Molemole	80 861	89 040	106 885
B	LIM354 Polokwane	415 990	454 995	518 016
B	LIM355 Lepelle-Nkumpi	138 190	161 220	205 236
C	DC35 Capricorn District Municipality	431 845	464 522	496 617
<b>Total: Capricorn Municipalities</b>		<b>1 252 334</b>	<b>1 384 994</b>	<b>1 598 206</b>
B	LIM361 Thabazimbi	60 129	60 696	59 712
B	LIM362 Lephalale	83 078	86 772	91 274
B	LIM364 Mookgopong	29 014	33 863	41 179
B	LIM365 Modimolle	57 283	58 581	59 493
B	LIM366 Bela-Bela	48 639	54 226	62 905
B	LIM367 Mogalakwena	267 909	292 559	339 353
C	DC36 Waterberg District Municipality	94 609	99 446	106 745
<b>Total: Waterberg Municipalities</b>		<b>640 661</b>	<b>686 143</b>	<b>760 661</b>
B	LIM471 Ephraim Mogale	77 149	91 627	118 772
B	LIM472 Elias Motsoaledi	143 438	166 928	213 459
B	LIM473 Makhuduthamaga	157 863	181 822	229 192
B	LIM474 Fetakgomo	52 946	63 595	83 250
B	LIM475 Greater Tubatse	148 455	182 718	246 541
C	DC47 Sekhukhune District Municipality	406 157	464 938	536 183
<b>Total: Sekhukhune Municipalities</b>		<b>986 008</b>	<b>1 151 628</b>	<b>1 427 397</b>
<b>Total: Limpopo Municipalities</b>		<b>5 176 753</b>	<b>5 834 599</b>	<b>6 925 520</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>MPUMALANGA</b>				
B	MP301 Albert Luthuli	171 462	188 811	218 671
B	MP302 Msukaligwa	108 953	114 918	121 221
B	MP303 Mkhondo	110 712	127 217	152 657
B	MP304 Pixley Ka Seme	85 631	87 919	91 094
B	MP305 Lekwa	81 428	85 036	88 237
B	MP306 Dipaleseng	46 059	48 593	52 440
B	MP307 Govan Mbeki	191 144	193 630	194 469
C	DC30 Gert Sibande District Municipality	259 860	266 056	271 180
<b>Total: Gert Sibande Municipalities</b>		<b>1 055 249</b>	<b>1 112 180</b>	<b>1 189 969</b>
B	MP311 Victor Khanye	54 204	59 124	67 126
B	MP312 Emalahleni	192 475	207 818	228 491
B	MP313 Steve Tshwete	92 630	103 593	119 269
B	MP314 Emakhazeni	38 535	42 256	48 318
B	MP315 Thembisile Hani	237 008	259 757	299 541
B	MP316 Dr JS Moroka	248 190	270 519	314 317
C	DC31 Nkangala District Municipality	308 850	318 220	326 609
<b>Total: Nkangala Municipalities</b>		<b>1 171 892</b>	<b>1 261 287</b>	<b>1 403 671</b>
B	MP321 Thaba Chweu	81 198	90 471	104 348
B	MP322 Mbombela	342 190	388 559	460 251
B	MP323 Umjindi	52 284	57 371	65 417
B	MP324 Nkomazi	290 822	340 862	424 283
B	MP325 Bushbuckridge	485 251	544 632	648 039
C	DC32 Ehlanzeni District Municipality	188 227	200 664	219 306
<b>Total: Ehlanzeni Municipalities</b>		<b>1 439 972</b>	<b>1 622 559</b>	<b>1 921 644</b>
<b>Total: Mpumalanga Municipalities</b>		<b>3 667 113</b>	<b>3 996 026</b>	<b>4 515 284</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>NORTHERN CAPE</b>				
B	NC061 Richtersveld	12 338	12 808	13 357
B	NC062 Nama Khoi	33 821	35 283	36 682
B	NC064 Kamiesberg	13 681	15 124	17 565
B	NC065 Hantam	20 312	20 560	20 591
B	NC066 Karoo Hoogland	13 898	14 659	15 758
B	NC067 Khâi-Ma	13 134	13 810	14 833
C	DC6 Namakwa District Municipality	33 148	34 529	35 586
<b>Total: Namakwa Municipalities</b>		<b>140 332</b>	<b>146 773</b>	<b>154 372</b>
B	NC071 Ubuntu	19 400	21 585	25 118
B	NC072 Umsobomvu	30 684	32 357	34 839
B	NC073 Emthanjeni	34 820	35 326	35 822
B	NC074 Kareeberg	13 268	15 069	17 919
B	NC075 Renosterberg	15 574	16 502	18 100
B	NC076 Thembelihle	15 650	16 718	18 588
B	NC077 Siyathemba	21 171	22 427	24 149
B	NC078 Siyancuma	36 842	37 997	39 446
C	DC7 Pixley Ka Seme District Municipality	29 375	32 277	36 465
<b>Total: Pixley Ka Seme Municipalities</b>		<b>216 784</b>	<b>230 258</b>	<b>250 446</b>
B	NC081 Mier	11 016	12 293	14 489
B	NC082 !Kai !Garib	48 286	50 278	51 971
B	NC083 //Khara Hais	53 914	56 126	57 390
B	NC084 !Kheis	16 899	17 946	19 612
B	NC085 Tsantsabane	26 145	27 060	28 093
B	NC086 Kgatelopele	15 302	16 086	17 044
C	DC8 Siyanda District Municipality	44 983	47 834	51 247
<b>Total: Siyanda Municipalities</b>		<b>216 545</b>	<b>227 623</b>	<b>239 846</b>
B	NC091 Sol Plaatje	145 905	145 433	142 820
B	NC092 Dikgatlong	48 022	51 624	57 946
B	NC093 Magareng	30 294	32 056	34 685
B	NC094 Phokwane	67 054	71 291	77 127
C	DC9 Frances Baard District Municipality	89 990	97 520	103 974
<b>Total: Frances Baard Municipalities</b>		<b>381 265</b>	<b>397 924</b>	<b>416 552</b>
B	NC451 Joe Morolong	80 780	93 120	114 538
B	NC452 Ga-Segonyana	73 591	86 859	108 890
B	NC453 Gamagara	21 203	22 045	22 924
C	DC45 John Taolo Gaetsewe District Municipality	58 112	61 492	65 096
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>233 686</b>	<b>263 516</b>	<b>311 448</b>
<b>Total: Northern Cape Municipalities</b>		<b>1 188 612</b>	<b>1 266 094</b>	<b>1 372 664</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>NORTH WEST</b>				
B	NW371 Moretele	177 267	210 187	264 075
B	NW372 Madibeng	308 470	369 058	462 097
B	NW373 Rustenburg	285 427	335 130	402 725
B	NW374 Kgetlengrivier	46 026	50 590	58 162
B	NW375 Moses Kotane	248 277	276 647	326 105
C	DC37 Bojanala Platinum District Municipality	250 823	266 080	286 552
<b>Total: Bojanala Platinum Municipalities</b>		<b>1 316 290</b>	<b>1 507 692</b>	<b>1 799 716</b>
B	NW381 Ratlou	73 777	82 797	101 553
B	NW382 Tswaing	68 209	74 607	87 950
B	NW383 Mafikeng	131 186	145 926	177 871
B	NW384 Ditsobotla	83 079	88 952	98 143
B	NW385 Ramotshere Moiloa	88 637	102 746	129 720
C	DC38 Ngaka Modiri Molema District Municipality	426 496	465 909	509 322
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>871 384</b>	<b>960 937</b>	<b>1 104 559</b>
B	NW392 Naledi	34 611	36 879	40 154
B	NW393 Mamusa	34 309	37 316	43 987
B	NW394 Greater Taung	114 303	135 395	175 070
B	NW396 Lekwa-Teemane	30 312	32 859	38 172
B	NW397 NW397	73 389	83 818	104 492
C	DC39 Dr Ruth Segomotsi Mompoti District Municipality	225 666	223 722	260 966
<b>Total: Dr Ruth Segomotsi Mompoti Municipalities</b>		<b>512 590</b>	<b>549 989</b>	<b>662 841</b>
B	NW401 Ventersdorp	49 829	55 159	64 103
B	NW402 Tlokwe	92 603	104 399	120 781
B	NW403 City of Matlosana	337 085	340 138	342 031
B	NW404 Maquassi Hills	81 259	85 989	92 525
C	DC40 Dr Kenneth Kaunda District Municipality	155 482	160 721	166 170
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>716 258</b>	<b>746 406</b>	<b>785 610</b>
<b>Total: North West Municipalities</b>		<b>3 416 522</b>	<b>3 765 024</b>	<b>4 352 726</b>

## SCHEDULE 3

**DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL  
GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

Number	Municipality	National Financial Year		
		Column A	Column B	
		2013/14 Allocation	Forward Estimates	
		2014/15	2015/16	
		R'000	R'000	R'000
<b>WESTERN CAPE</b>				
A	CPT City of Cape Town	1 243 293	1 502 066	1 815 088
B	WC011 Matzikama	37 874	40 003	41 516
B	WC012 Cederberg	28 188	30 873	34 375
B	WC013 Bergrivier	24 815	27 571	30 689
B	WC014 Saldanha Bay	38 632	46 557	55 610
B	WC015 Swartland	32 506	43 233	56 007
C	DC1 West Coast District Municipality	72 626	76 206	80 912
<b>Total: West Coast Municipalities</b>		<b>234 641</b>	<b>264 443</b>	<b>299 109</b>
B	WC022 Witzenberg	49 553	54 284	59 253
B	WC023 Drakenstein	75 995	85 596	97 233
B	WC024 Stellenbosch	50 157	65 832	85 118
B	WC025 Breede Valley	67 964	74 468	82 030
B	WC026 Langeberg	53 158	55 865	57 518
C	DC2 Cape Winelands District Municipality	209 436	213 628	217 049
<b>Total: Cape Winelands Municipalities</b>		<b>506 263</b>	<b>549 673</b>	<b>598 201</b>
B	WC031 Theewaterskloof	57 262	62 652	68 737
B	WC032 Overstrand	41 949	52 164	64 741
B	WC033 Cape Agulhas	18 057	19 424	20 744
B	WC034 Swellendam	19 857	20 979	21 979
C	DC3 Overberg District Municipality	46 637	50 646	55 626
<b>Total: Overberg Municipalities</b>		<b>183 762</b>	<b>205 865</b>	<b>231 827</b>
B	WC041 Kannaland	20 051	21 162	22 445
B	WC042 Hessequa	28 189	30 054	31 606
B	WC043 Mossel Bay	47 196	54 855	63 858
B	WC044 George	85 716	92 615	101 174
B	WC045 Oudtshoorn	45 958	49 992	54 609
B	WC047 Bitou	29 614	41 028	57 552
B	WC048 Knysna	35 982	44 920	56 304
C	DC4 Eden District Municipality	129 669	134 265	139 387
<b>Total: Eden Municipalities</b>		<b>422 375</b>	<b>468 891</b>	<b>526 935</b>
B	WC051 Laingsburg	10 224	10 911	12 132
B	WC052 Prince Albert	11 661	13 057	15 372
B	WC053 Beaufort West	35 567	39 061	44 355
C	DC5 Central Karoo District Municipality	14 638	16 895	20 204
<b>Total: Central Karoo Municipalities</b>		<b>72 090</b>	<b>79 924</b>	<b>92 063</b>
<b>Total: Western Cape Municipalities</b>		<b>2 662 424</b>	<b>3 070 862</b>	<b>3 563 223</b>
<b>National Total</b>		<b>40 581 787</b>	<b>44 490 145</b>	<b>50 207 698</b>

**SCHEDULE 4A**

**ALLOCATIONS TO PROVINCES TO SUPPLEMENT THE FUNDING OF PROGRAMMES OR FUNCTIONS FUNDED FROM PROVINCIAL BUDGETS**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2013/14 Allocation		Forward Estimates	
					R'000	2014/15	R'000	2015/16
<b>Agriculture, Forestry and Fisheries (Vote 26)</b>	Comprehensive Agricultural Support Programme Grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in exports.	General conditional allocation to provinces	Eastern Cape	219 055	230 292	240 859	
				Free State	140 274	146 478	152 226	
				Gauteng	55 880	63 205	66 125	
				KwaZulu-Natal	202 522	212 632	222 405	
				Limpopo	205 545	215 473	225 593	
				Mpumalanga	130 683	134 547	140 719	
				Northern Cape	371 539	374 686	391 923	
				North West	169 663	179 384	188 458	
				Western Cape	104 859	108 394	113 376	
				<b>TOTAL</b>	<b>1 600 020</b>	<b>1 665 091</b>	<b>1 741 684</b>	
<b>Basic Education (Vote 15)</b>	Education Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education; to enhance capacity to deliver infrastructure in education; to address damage to infrastructure caused by floods in January and February 2011.	General conditional allocation to provinces	Eastern Cape	1 010 870	1 217 318	1 710 084	
				Free State	468 931	572 856	804 746	
				Gauteng	537 892	644 463	905 339	
				KwaZulu-Natal	1 298 847	1 432 140	2 011 863	
				Limpopo	983 599	1 145 712	1 609 491	
				Mpumalanga	531 504	644 463	905 339	
				Northern Cape	316 934	358 035	502 966	
				North West	521 622	644 463	905 339	
				Western Cape	960 465	501 249	704 153	
				<b>TOTAL</b>	<b>6 630 664</b>	<b>7 160 699</b>	<b>10 059 320</b>	
<b>Health (Vote 16)</b>	(a) Health Professions Training and Development Grant	Support provinces to fund service costs associated with training of health science trainees on the public service platform; co-funding of the national human resource plan for health in expanding undergraduate medical education for 2013 and beyond (2025).	Nationally assigned function to provinces	Eastern Cape	188 560	199 874	209 068	
				Free State	138 131	146 419	153 154	
				Gauteng	765 202	811 114	848 425	
				KwaZulu-Natal	276 262	292 837	306 308	
				Limpopo	109 628	116 206	121 552	
				Mpumalanga	89 894	95 288	99 671	
				Northern Cape	72 356	76 697	80 225	
				North West	98 666	104 586	109 397	
				Western Cape	451 667	478 767	500 790	
				<b>TOTAL</b>	<b>2 190 366</b>	<b>2 321 788</b>	<b>2 428 590</b>	

## SCHEDULE 4A

## ALLOCATIONS TO PROVINCES TO SUPPLEMENT THE FUNDING OF PROGRAMMES OR FUNCTIONS FUNDED FROM PROVINCIAL BUDGETS

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2013/14 Allocation	R'000	2014/15	Forward Estimates
<b>Health (Vote 16)</b>	(b) National Tertiary Services Grant	Ensure provision of tertiary health services for all South African citizens; to compensate tertiary facilities for the costs associated with provision of these services including cross boundary patients.	Nationally assigned function to provinces	Eastern Cape	743 621	786 007	822 163	
				Free State	849 661	898 091	939 403	
				Gauteng	3 305 931	3 493 891	3 654 610	
				KwaZulu-Natal	1 415 731	1 496 427	1 565 263	
				Limpopo	305 732	323 158	338 024	
				Mpumalanga	91 879	97 116	101 584	
				Northern Cape	282 618	298 727	312 468	
				North West	224 470	237 264	248 178	
				Western Cape	2 400 714	2 537 554	2 654 281	
				<b>TOTAL</b>	<b>9 620 357</b>	<b>10 168 235</b>	<b>10 635 974</b>	
<b>Higher Education and Training (Vote 17)</b>	Further Education and Training Colleges Grant	To ensure the successful transfer of the Further Education and Training College function to the Department of Higher Education and Training.	General conditional allocation to provinces	Eastern Cape	296 421	315 761	335 551	
				Free State	172 068	183 137	194 212	
				Gauteng	673 887	716 971	759 663	
				KwaZulu-Natal	325 736	347 178	369 399	
				Limpopo	375 709	399 560	422 922	
				Mpumalanga	130 670	139 270	148 181	
				Northern Cape	40 519	43 130	45 749	
				North West	76 232	81 369	86 877	
				Western Cape	351 437	373 920	396 219	
				<b>TOTAL</b>	<b>2 442 679</b>	<b>2 600 296</b>	<b>2 758 773</b>	

## SCHEDULE 4A

## ALLOCATIONS TO PROVINCES TO SUPPLEMENT THE FUNDING OF PROGRAMMES OR FUNCTIONS FUNDED FROM PROVINCIAL BUDGETS

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2013/14 Allocation	2014/15	2015/16	Forward Estimates
Transport (Vote 37)	(a) Provincial Roads Maintenance Grant	To supplement provincial investments for preventative, routine, emergency maintenance and road rehabilitation of provincial road networks; ensure all roads are classified as per Road Infrastructure Strategic Framework of South Africa and the Road Classification and Access Management guidelines by end of 2013/14; and implement and maintain road asset management systems; to supplement provincial projects for the repairs to roads and bridges damaged by a natural disaster as assessed by the National Disaster Management Centre; to improve the state of the coal haulage network.	General conditional allocation to provinces	Eastern Cape Free State Gauteng KwaZulu-Natal Limpopo Mpumalanga Northern Cape North West Western Cape	R'000 1 102 836 1 130 462 433 048 1 678 920 990 578 1 487 722 659 484 639 923 573 237	R'000 1 190 337 1 179 270 468 838 1 751 593 1 071 819 1 513 010 684 484 668 058 598 781	R'000 1 207 966 1 456 183 536 257 2 167 940 1 152 561 902 196 751 328 838 630 760 859	
	(b) Public Transport Operations Grant	To provide supplementary funding towards public transport services provided by provincial departments of transport.	Nationally assigned function to provinces	Eastern Cape Free State Gauteng KwaZulu-Natal Limpopo Mpumalanga Northern Cape North West Western Cape	R'000 183 960 203 382 1 714 344 852 325 274 932 462 926 41 390 85 082 734 180	R'000 193 258 213 663 1 801 078 895 350 288 840 486 340 43 480 89 380 771 320	R'000 202 148 223 491 1 883 928 936 536 302 126 508 712 45 481 93 491 806 801	
	<b>TOTAL</b>			<b>TOTAL</b>	<b>8 696 210</b>	<b>9 126 190</b>	<b>9 773 920</b>	
				<b>TOTAL</b>	<b>4 552 521</b>	<b>4 782 709</b>	<b>5 002 714</b>	

**SCHEDULE 4B**

**ALLOCATIONS TO MUNICIPALITIES TO SUPPLEMENT THE FUNDING OF FUNCTIONS FUNDED FROM MUNICIPAL BUDGETS**

Vote	Name of allocation	Purpose	City	Column A		Column B	
				2013/14 Allocation	2014/15	Forward Estimates	2015/16
<b>Human Settlements (Vote 31)</b>	Urban Settlements Development Grant	Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households.	Buffalo City	R'000	R'000	R'000	R'000
			City of Cape Town	613 305	698 290	722 958	722 958
			City of Johannesburg	1 193 497	1 358 879	1 406 882	1 406 882
			City of Tshwane	1 488 877	1 695 189	1 755 074	1 755 074
			Ekurhuleni	1 290 611	1 469 450	1 521 361	1 521 361
			eThekweni	1 584 912	1 804 532	1 868 280	1 868 280
			Mangaung	1 580 999	1 800 075	1 863 667	1 863 667
			Nelson Mandela Bay	596 719	679 406	703 407	703 407
				727 986	828 863	858 144	858 144
			<b>TOTAL</b>	<b>9 076 906</b>	<b>10 334 684</b>	<b>10 699 773</b>	<b>10 699 773</b>

**SCHEDULE 5A**

**SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2013/14 Allocation	Forward Estimates	
					R'000	2014/15	2015/16
<b>Agriculture, Forestry and Fisheries (Vote 26)</b>	(a) Ilima/Letsema Projects Grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production.	Conditional allocation	Eastern Cape	43 845	46 062	47 700
				Free State	57 999	60 802	62 877
				Gauteng	17 538	20 126	24 234
				KwaZulu-Natal	65 768	69 093	71 549
				Limpopo	43 845	46 062	47 940
				Mpumalanga	43 845	46 062	47 702
				Northern Cape	70 034	72 003	75 500
				North West	43 845	46 062	47 940
				Western Cape	51 737	54 353	56 372
				<b>TOTAL</b>	<b>438 456</b>	<b>460 625</b>	<b>481 814</b>
				<b>Arts and Culture (Vote 14)</b>	(b) Land Care Programme Grant: Poverty Relief and Infrastructure Development	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all.	Conditional allocation
Free State	8 571	5 427	5 787				
Gauteng	6 163	4 748	5 112				
KwaZulu-Natal	18 746	10 854	11 179				
Limpopo	19 562	10 178	10 512				
Mpumalanga	10 249	6 105	6 460				
Northern Cape	12 055	7 462	7 809				
North West	10 552	8 140	8 482				
Western Cape	7 233	4 070	4 439				
<b>TOTAL</b>	<b>108 997</b>	<b>67 837</b>	<b>70 958</b>				
<b>Arts and Culture (Vote 14)</b>	Community Library Services Grant	To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives.	Conditional allocation				
				Free State	62 918	119 013	156 114
				Gauteng	63 470	125 608	163 039
				KwaZulu-Natal	63 145	122 754	160 042
				Limpopo	56 528	81 010	111 502
				Mpumalanga	72 521	114 781	151 671
				Northern Cape	75 596	118 396	154 467
				North West	64 058	98 883	133 978
				Western Cape	67 058	126 347	163 815
				<b>TOTAL</b>	<b>597 786</b>	<b>1 016 210</b>	<b>1 340 562</b>

## SCHEDULE 5A

## SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B				
					2013/14 Allocation		Forward Estimates				
					R'000	2014/15	R'000	2015/16			
Basic Education (Vote 15)	(a) Dinaledi Schools Grant	To improve the quality of learner performance in Mathematics, Physical Sciences, Life Sciences and First Additional Language English, in line with the Action Plan for 2014; to improve the content knowledge, pedagogies and didactic skills of mathematics, physical sciences and life sciences teachers.	Conditional allocation	Eastern Cape	12 620	13 342	13 956				
				Free State	7 573	8 006	8 374				
				Gauteng	21 244	22 458	23 491				
				KwaZulu-Natal	18 509	19 568	20 468				
				Limpopo	10 727	11 340	11 862				
				Mpumalanga	9 675	10 228	10 698				
				Northern Cape	3 577	3 782	3 956				
				North West	11 147	11 785	12 327				
				Western Cape	10 096	10 673	11 164				
				<b>TOTAL</b>	<b>105 168</b>	<b>111 182</b>	<b>116 296</b>				
					(b) HIV and Aids (Life Skills Education) Grant	To support South Africa's HIV prevention strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators; to mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators; to ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse; to reduce the vulnerability of children to HIV, TB and STI infections, with a particular focus on orphaned and vulnerable children.	Conditional allocation	Eastern Cape	34 895	37 023	37 753
								Free State	12 135	11 570	11 129
Gauteng	30 012	30 195	30 611								
KwaZulu-Natal	48 634	52 261	51 255								
Limpopo	30 852	31 085	31 542								
Mpumalanga	18 015	19 404	20 297								
Northern Cape	5 205	5 059	5 281								
North West	16 122	17 388	18 198								
Western Cape	17 637	17 077	20 297								
<b>TOTAL</b>	<b>213 507</b>	<b>221 062</b>	<b>226 363</b>								
	(c) National School Nutrition Programme Grant	To provide nutritious meals to targeted learners.	Conditional allocation					Eastern Cape	949 162	984 548	1 020 116
								Free State	274 552	299 205	317 157
				Gauteng	585 157	640 541	678 974				
				KwaZulu-Natal	1 206 190	1 237 534	1 287 034				
				Limpopo	932 050	991 153	1 030 799				
				Mpumalanga	496 661	524 913	545 910				
				Northern Cape	119 859	134 645	142 724				
				North West	348 912	366 890	381 566				
				Western Cape	260 538	282 486	299 435				
				<b>TOTAL</b>	<b>5 173 081</b>	<b>5 461 915</b>	<b>5 703 715</b>				

**SCHEDULE 5A**

**SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B					
					2013/14 Allocation	Forward Estimates	2015/16				
<b>Basic Education (Vote 15)</b>	(d) Technical Secondary Schools Recapitalisation Grant	To recapitalise up to 200 technical schools to improve their capacity to contribute to skills development and training in the country.	Conditional allocation	Eastern Cape	R'000	R'000	R'000				
				Free State	31 648	32 928	34 541				
				Gauteng	20 963	22 219	23 309				
				KwaZulu-Natal	26 375	27 958	28 627				
				Limpopo	42 717	45 280	47 499				
				Mpumalanga	28 169	29 859	31 322				
				Northern Cape	27 058	28 682	30 087				
				North West	13 188	13 978	14 663				
				Western Cape	18 850	19 981	20 960				
				<b>TOTAL</b>	11 884	12 597	13 214				
				<b>TOTAL</b>	<b>220 852</b>	<b>233 482</b>	<b>244 222</b>				
				<b>Health (Vote 16)</b>	(a) Comprehensive HIV and Aids Grant	To enable the health sector to develop an effective response to HIV and Aids including universal access to HIV counselling and testing; to support the implementation of the national operational plan for comprehensive HIV and Aids treatment and care; to subsidise in-part funding for the antiretroviral treatment programme.	Conditional allocation	Eastern Cape	R'000	R'000	R'000
								Free State	1 273 296	1 485 116	1 683 639
Gauteng	742 984	868 770	984 903								
KwaZulu-Natal	2 258 483	2 640 825	2 993 839								
Limpopo	2 652 072	3 098 705	3 512 927								
Mpumalanga	861 143	1 009 007	1 143 886								
Northern Cape	690 591	806 706	914 542								
North West	302 468	352 864	400 033								
Western Cape	825 302	966 043	1 095 179								
<b>TOTAL</b>	927 547	1 083 286	1 228 095								
<b>TOTAL</b>	<b>10 533 886</b>	<b>12 311 322</b>	<b>13 957 043</b>								
<b>Health (Vote 16)</b>	(b) Health Facility Revitalisation Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including health technology, organisational systems and quality assurance; supplement expenditure on health infrastructure delivered through public-private partnerships; to enhance capacity to deliver infrastructure in health.	Conditional allocation					Eastern Cape	R'000	R'000	R'000
								Free State	562 792	292 930	337 106
				Gauteng	538 962	554 950	589 840				
				KwaZulu-Natal	771 033	742 475	747 961				
				Limpopo	962 469	1 090 431	1 139 972				
				Mpumalanga	457 442	170 673	203 824				
				Northern Cape	283 509	313 885	341 706				
				North West	421 428	419 572	439 264				
				Western Cape	496 121	508 721	513 664				
				<b>TOTAL</b>	629 786	645 200	674 582				
				<b>TOTAL</b>	<b>5 123 542</b>	<b>4 738 837</b>	<b>4 987 919</b>				

## SCHEDULE 5A

## SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2013/14 Allocation		Forward Estimates	
					R'000		2014/15	2015/16
<b>Health (Vote 16)</b>	(c) National Health Insurance Grant	Test innovations in health services provision for implementing National Health Insurance, allowing for each district to interpret and design innovations relevant to its specific context; to undertake health system strengthening initiatives; to assess the feasibility, acceptability, effectiveness and affordability of innovative ways of engaging private sector resources for public purpose.	Conditional allocation	Eastern Cape	4 850	7 000	7 397	
				Free State	4 850	7 000	7 397	
				Gauteng	4 850	7 000	7 397	
				KwaZulu-Natal	9 700	14 000	14 793	
				Limpopo	4 850	7 000	7 397	
				Mpumalanga	4 850	7 000	7 397	
				Northern Cape	4 850	7 000	7 397	
				North West	4 850	7 000	7 396	
				Western Cape	4 850	7 000	7 396	
				<b>TOTAL</b>	<b>48 500</b>	<b>70 000</b>	<b>73 967</b>	
				<b>Human Settlements (Vote 31)</b>	Human Settlements Development Grant	To provide funding for the creation of sustainable human settlements.	Conditional allocation	Eastern Cape
Free State	1 120 936	584 045	580 398					
Gauteng	4 108 399	2 140 611	2 127 244					
KwaZulu-Natal	3 235 428	1 685 764	1 675 237					
Limpopo	1 324 742	690 235	685 925					
Mpumalanga	1 124 332	585 815	582 157					
Northern Cape	395 724	206 186	204 899					
North West	1 224 537	638 025	634 040					
Western Cape	1 925 971	1 003 495	997 229					
Unallocated	-	9 069 160	10 873 303					
<b>TOTAL</b>	<b>16 983 872</b>	<b>17 918 321</b>	<b>19 667 205</b>					
<b>Public Works (Vote 7)</b>	(a) Expanded Public Works Programme Integrated Grant for Provinces	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: road maintenance and the maintenance of buildings; low traffic volume roads and rural roads; other economic and social infrastructure; tourism and cultural industries; and sustainable land based livelihoods.	Incentive allocation to provinces	Eastern Cape	79 577	-	-	
				Free State	18 001	-	-	
				Gauteng	15 606	-	-	
				KwaZulu-Natal	102 137	-	-	
				Limpopo	49 370	-	-	
				Mpumalanga	34 291	-	-	
				Northern Cape	14 045	-	-	
				North West	17 266	-	-	
				Western Cape	25 621	-	-	
				Unallocated	-	370 947	381 574	
				<b>TOTAL</b>	<b>355 914</b>	<b>370 947</b>	<b>381 574</b>	

**SCHEDULE 5A**

**SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2013/14 Allocation	Forward Estimates	2015/16
					R'000	R'000	R'000
<b>Public Works (Vote 7)</b>	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial social sector departments identified in the 2012 Social Sector EPWP log-frame to increase job creation by focusing on the strengthening and expansion of social service programmes that have employment potential.	Incentive allocation to provinces	Eastern Cape	49 728	-	-
				Free State	8 545	-	-
				Gauteng	27 652	-	-
				KwaZulu-Natal	24 306	-	-
				Limpopo	57 717	-	-
				Mpumalanga	1 961	-	-
				Northern Cape	19 879	-	-
				North West	50 870	-	-
				Western Cape	16 906	-	-
				Unallocated	-	272 972	285 529
				<b>TOTAL</b>	<b>257 564</b>	<b>272 972</b>	<b>285 529</b>
<b>Sport and Recreation South Africa (Vote 20)</b>	Mass Participation and Sport Development Grant	To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders.	Conditional allocation	Eastern Cape	61 334	65 401	68 671
				Free State	38 832	41 774	43 863
				Gauteng	88 269	92 683	95 214
				KwaZulu-Natal	79 883	83 877	88 071
				Limpopo	56 529	59 355	62 323
				Mpumalanga	44 772	47 011	49 362
				Northern Cape	30 806	33 506	35 181
				North West	41 596	43 676	45 860
				Western Cape	55 570	58 349	61 266
				<b>TOTAL</b>	<b>497 591</b>	<b>525 632</b>	<b>549 811</b>

**SCHEDULE 5B**  
**SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES**

Vote	Name of allocation	Purpose	Column A		Column B	
			2013/14 Allocation		Forward Estimates	
			R'000	R'000	2014/15	2015/16
<b>RECURRENT GRANTS</b>						
<b>Cooperative Governance and Traditional Affairs (Vote 3)</b>	Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislation.	240 307	252 152	261 060	
	Expanded Public Works Programme Integrated Grant for Municipalities	To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: road maintenance and the maintenance of buildings; low traffic volume roads and rural roads; basic services infrastructure, including water and sewer reticulation, sanitation, pipelines (excluding bulk infrastructure); other economic and social infrastructure; tourism and cultural industries; waste management; parks and beautification; sustainable land-based livelihoods; social services programmes; health service programmes; and community safety programmes.	610 674	632 325	660 966	
<b>National Treasury (Vote 10)</b>	(a) Infrastructure Skills Development Grant	To strengthen capacity of local government, to effectively and efficiently deliver quality infrastructure, by increasing the pool of skills available; to facilitate lifelong learning and the transfer of knowledge and skills to municipalities; to sustain infrastructure related management capacity in local government.	98 500	154 425	179 226	
	(b) Local Government Financial Management Grant	To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.	424 798	449 138	469 799	
	(c) Integrated City Development Grant	To provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.	40 000	150 000	150 000	
<b>Sport and Recreation SA (Vote 20)</b>	2014 African Nations Championship Host City Operating Grant	To assist host cities with the operational responsibilities associated with the hosting of the 2014 African Nations Championship.	120 000	-	-	
<b>Energy (Vote 29)</b>	Energy Efficiency and Demand Side Management Grant	To provide subsidies to municipalities to implement Energy Efficiency and Demand Side Management initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.	180 722	155 415	202 005	
<b>Transport (Vote 37)</b>	Public Transport Network Operations Grant	To provide supplementary operational funding to municipalities operating approved Integrated Rapid Public Transport Network/Integrated Public Transport Network services.	881 305	744 817	862 024	
<b>Water Affairs (Vote 38)</b>	Water Services Operating Subsidy Grant	To subsidise and build capacity in water schemes owned and/or operated by the Department of Water Affairs or by other agencies on behalf of the department.	420 945	449 558	470 239	
<b>TOTAL</b>			<b>3 017 251</b>	<b>2 987 830</b>	<b>3 255 319</b>	

**SCHEDULE 5B**

**SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES**

Vote	Name of allocation	Purpose	Column A		Column B	
			2013/14 Allocation	Forward Estimates	2014/15	2015/16
			R'000	R'000	R'000	R'000
<b>INFRASTRUCTURE GRANTS</b>						
<b>Cooperative Governance and Traditional Affairs (Vote 3)</b>	Municipal Infrastructure Grant	To provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.	14 352 060	14 683 835	15 448 070	
<b>Energy (Vote 29)</b>	Integrated National Electrification Programme (Municipal) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.	1 634 772	1 564 658	2 056 090	
<b>National Treasury (Vote 10)</b>	Neighbourhood Development Partnership Grant	To support and facilitate the planning and development of neighbourhood development programmes and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted underserved neighbourhoods (generally townships).	598 041	591 179	600 000	
<b>Human Settlements (Vote 31)</b>	Rural Households Infrastructure Grant	To provide specific capital funding for the reduction of rural water and sanitation backlogs and to target existing households where bulk-dependent services are not viable.	106 721	113 124	118 328	
<b>Transport (Vote 37)</b>	(a) Public Transport Infrastructure Grant	To provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.	4 668 676	5 126 029	5 278 881	
	(b) Rural Roads Asset Management Systems Grant	To assist rural district municipalities to set up rural Road Asset Management Systems, and collect road and traffic data in line with the Road Infrastructure Strategic Framework for South Africa.	52 205	75 223	97 763	
<b>Water Affairs (Vote 38)</b>	Municipal Water Infrastructure Grant	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a basic water supply service.	602 965	1 058 976	2 671 934	
<b>TOTAL</b>			<b>22 015 440</b>	<b>23 213 024</b>	<b>26 271 066</b>	

## SCHEDULE 6A

## ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Province	Column A		Column B	
				2013/14 Allocation	2014/15	Forward Estimates	2015/16
<b>Basic Education (Vote 15)</b>	School Infrastructure Backlogs Grant	Eradication of entire inappropriate school infrastructure; provision of water, sanitation and electricity to schools.	Eastern Cape	R'000 824 085	R'000 2 025 542	R'000 2 772 301	
			Free State	717 299	613 161	40 000	
			Gauteng	13 060	16 800	-	
			KwaZulu-Natal	224 433	38 096	-	
			Limpopo	71 267	20 000	-	
			Mpumalanga	64 104	4 700	-	
			Northern Cape	25 189	18 200	-	
			North West	16 544	14 400	8 009	
			Western Cape	-	418 604	92 000	
			<b>TOTAL</b>	<b>1 955 981</b>	<b>3 169 503</b>	<b>2 912 310</b>	
<b>Health (Vote 16)</b>	(a) 2014 African Nations Championship: Health and Medical Services Grant	To provide health and medical services for the 2014 African Nations Championship.	Eastern Cape	-	-	-	
			Free State	-	-	-	
			Gauteng	-	-	-	
			KwaZulu-Natal	-	-	-	
			Limpopo	-	-	-	
			Mpumalanga	-	-	-	
			Northern Cape	-	-	-	
			North West	-	-	-	
			Western Cape	-	-	-	
			Unallocated	6 000	-	-	
<b>TOTAL</b>	<b>6 000</b>	<b>6 000</b>	<b>6 000</b>				
	(b) National Health Grant	To address capacity constraints in the provinces and to create an alternate track to speed up infrastructure delivery; to improve spending, performance, monitoring and evaluation on National Health Insurance pilots and infrastructure projects.	Eastern Cape	135 000	484 000	484 000	
			Free State	94 000	92 000	95 000	
			Gauteng	102 000	247 000	247 000	
			KwaZulu-Natal	58 000	32 000	32 000	
			Limpopo	155 000	550 000	550 000	
			Mpumalanga	106 123	116 100	107 682	
			Northern Cape	44 816	47 142	47 839	
			North West	85 086	94 620	95 431	
			Western Cape	27 000	17 000	17 000	
			Unallocated	291 000	420 000	443 803	
<b>TOTAL</b>	<b>1 098 025</b>	<b>2 099 862</b>	<b>2 119 755</b>				

**SCHEDULE 6B**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES**

Vote	Name of allocation	Purpose	Column A	Column B	
			2013/14 Allocation	Forward Estimates	
			R'000	2014/15	2015/16
			R'000	R'000	R'000
<b>National Treasury (Vote 10)</b>	Neighbourhood Development Partnership Grant	To support and facilitate the planning and development of neighbourhood development programmes and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted underserved neighbourhoods (generally townships).	55 000	58 300	65 000
<b>Energy (Vote 29)</b>	(a) Integrated National Electrification Programme (Eskom) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.	2 141 027	2 488 037	3 680 043
<b>Water Affairs (Vote 38)</b>	(a) Water Services Operating Subsidy Grant	To subsidise and build capacity in water schemes owned and/or operated by the Department of Water Affairs or by other agencies on behalf of the department.	138 894	142 013	151 185
	(b) Regional Bulk Infrastructure Grant	To develop infrastructure that connects water resources, to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality, in the case of sanitation, to supplement regional bulk collection as well as regional waste water treatment works.	3 203 397	4 482 896	4 871 654
<b>TOTAL</b>			<b>5 538 318</b>	<b>7 171 246</b>	<b>8 767 882</b>

## SCHEDULE 7A

## UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Province	Column A	Column B	
				2013/14 Allocation	Forward Estimates	
				2014/15	2015/16	
				R'000	R'000	R'000
Cooperative Governance and Traditional Affairs (Vote 3)	Provincial Disaster Grant	To provide for the immediate release of funds for disaster response.	Eastern Cape	-	-	-
			Free State	-	-	-
			Gauteng	-	-	-
			KwaZulu-Natal	-	-	-
			Limpopo	-	-	-
			Mpumalanga	-	-	-
			Northern Cape	-	-	-
			North West	-	-	-
			Western Cape	-	-	-
			Unallocated	188 100	197 372	204 344
	<b>TOTAL</b>			<b>188 100</b>	<b>197 372</b>	<b>204 344</b>

## SCHEDULE 7B

## UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2013/14 Allocation	Forward Estimates	
			2014/15	2015/16	
			R'000	R'000	R'000
Cooperative Governance and Traditional Affairs (Vote 3)	Municipal Disaster Grant	To provide for the immediate release of funds for disaster response.	346 500	363 580	376 424
	<b>TOTAL</b>		<b>346 500</b>	<b>363 580</b>	<b>376 424</b>

## MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2013

### 1. BACKGROUND

- 1.1 Section 214(1) of the Constitution of the Republic of South Africa, 1996, (“the Constitution”) requires that an Act of Parliament must provide for—
  - 1.1.1 the equitable division of revenue raised nationally among the national, provincial and local spheres of government;
  - 1.1.2 the determination of each province’s equitable share of the provincial share of that revenue; and
  - 1.1.3 any other allocations to provinces, local government or municipalities from the national government’s share of that revenue, and for any conditions on which those allocations may be made.
- 1.2 Section 10 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), requires that, as part of the process of the enactment of the Act of Parliament referred to in paragraph 1.1, each year when the annual budget is introduced, the Minister of Finance must introduce in the National Assembly a Division of Revenue Bill (“the Bill”) for the financial year to which that budget relates.
- 1.3 The Intergovernmental Fiscal Relations Act, 1997, requires that the Bill be accompanied by a memorandum explaining—
  - 1.3.1 how the Bill takes account of each of the matters listed in section 214(2)(a) to (j) of the Constitution;
  - 1.3.2 the extent to which account was taken of any recommendations of the Financial and Fiscal Commission (“the FFC”) that were submitted to the Minister of Finance in relation to matters listed in section 214(2) of the Constitution; and
  - 1.3.3 any assumptions or formulae used in arriving at the respective shares of the three spheres of government and the division of the provincial share between the nine provinces.
- 1.4 In terms of section 7(4) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), when tabling the budget, a report must also be tabled that responds to the recommendations made in the reports by the Parliamentary Committees on Finance on the proposed fiscal framework in the Medium Term Budget Policy Statement and the reports by the Committees on Appropriations regarding the proposed division of revenue and the conditional grant allocations to provinces and local government as contained in the Medium Term Budget Policy Statement. The report must explain how the Bill and the national budget give effect to, or the reasons for not taking into account, the recommendations contained in the Committee reports.
- 1.5 The memorandum referred to in paragraph 1.3 is attached to this Memorandum and will also be attached as “Annexure W1” to the Budget Review, and the report referred to in paragraph 1.4 will be tabled with the budget.
- 1.6 The Bill is introduced in compliance with the Constitution, the Intergovernmental Fiscal Relations Act, 1997, and the Money Bills Amendment Procedure and Related Matters Act, 2009, as set out in paragraphs 1.1 to 1.4.

1.7 The allocations contemplated in section 214(1) of the Constitution are set out in the following Schedules to the Bill:

- *Schedule 1* contains the equitable shares of the three spheres of government;
- *Schedule 2* sets out provincial equitable share allocations;
- *Schedule 3* sets out local government equitable share allocations per municipality;
- *Schedules 4-7* deal with grant allocations for provinces and municipalities, including allocations to supplement funding of functions funded from provincial and municipal budgets, specific purpose allocations, allocations-in-kind (indirect transfers to provinces and local government) and the release of funds to provinces and municipalities for disaster response.

## 2. SUMMARY OF BILL

The following is a brief summary of the Bill:

- *Clause 1* contains definitions;
- *Clause 2* sets out the objects of the Bill, which is to provide for the equitable division of revenue raised nationally among the three spheres and to promote predictability and certainty in respect of allocations to provinces and municipalities as well as transparency and accountability in the resource allocation process;
- *Clause 3* provides for the equitable division of anticipated revenue raised nationally among the national, provincial and local spheres of government, which is set out in Schedule 1;
- *Clause 4* provides for each province's equitable share, which is set out in Schedule 2, and that it must be transferred in terms of a payment schedule;
- *Clause 5* provides for each municipality's equitable share of revenue, which is set out in Schedule 3 and that it must be transferred in terms of a payment schedule;
- *Clause 6* determines what must happen if actual revenue raised falls short or is in excess of anticipated revenue for the financial year, and allows for additional conditional and unconditional allocations from the national government's portion of the equitable share or excess revenue;
- *Clause 7* provides for conditional allocations to provinces in Part A of Schedules 4 to 7;
- *Clause 8* provides for conditional allocations to municipalities in Part B of Schedules 4 to 7;
- *Clauses 9 and 10* set out the duties of a transferring national officer in respect of Schedules 4 to 6 allocations;
- *Clauses 11 to 12* set out the duties of a receiving officer in respect of Schedules 4, 5 and 7 allocations;
- *Clause 13* sets out the additional duties of a receiving officer in respect of infrastructure conditional allocations to provinces;
- *Clause 14* prescribes the duties in respect of annual financial statements and annual reports for 2013/14;

- *Clause 15* requires the publication of certain allocations and all conditional grant frameworks in the *Government Gazette*;
- *Clause 16* requires that spending must only be in accordance with the purpose and subject to the conditions set out in the grant frameworks for Schedule 4 to 7 allocations, and sets out funding related arrangements if the a function funded by the Human Settlements Development or Public Transport Operations Grant is assigned by a province to a municipality;
- *Clauses 17 and 18* provide for the withholding and stopping of allocations;
- *Clause 19* provides for the re-allocation of funds;
- *Clause 20* provides for the possible conversion of Schedule 5B and 6 allocations, the School Infrastructure Backlogs Grant and the National Health Grant in order to prevent under-spending on the allocation, if the affected national or provincial department has demonstrated the capacity to implement projects;
- *Clause 21* provides for the management of unspent conditional allocations;
- *Clauses 22 and 23* provide for payment schedules and their amendment;
- *Clause 24* provides for the recovery of any allocation transferred in error or fraudulently;
- *Clause 25* provides for new allocations during the financial year and Schedule 7 allocations;
- *Clause 26* provide for preparations for the next financial year and 2015/16 financial year;
- *Clause 27* deals with transfers before the commencement of the Division of Revenue Act for 2013 and 2014 and the conditions attached to such transfers;
- *Clause 28* sets out the duties of municipalities;
- *Clause 29* sets out the duties and powers of provincial treasuries;
- *Clause 30* sets out the duties and powers of the National Treasury;
- *Clauses 31 to 37* provide for general treasury matters such as allocations by public entities to provinces or municipalities, liability for costs incurred in violation of principles of co-operative governance and intergovernmental relations, irregular expenditure, financial misconduct, delegations and assignments, exemptions and the power of the Minister of Finance to make regulations;
- *Clauses 38 to 39* provide for the repeal of laws and the short title and commencement.

### **3. ORGANISATIONS AND INSTITUTIONS CONSULTED**

The following institutions were consulted on the Bill—

- Financial and Fiscal Commission;
- South African Local Government Association; and
- National and provincial departments.

**4. FINANCIAL IMPLICATIONS TO THE STATE**

This memorandum outlines the proposed division of revenue between the three spheres of government, and the financial implications to government are limited to the total transfers to provinces and local government as indicated in the Schedules to the Bill.

**5. CONSTITUTIONAL IMPLICATIONS**

This Bill gives effect to section 214 of the Constitution.

**6. PARLIAMENTARY PROCEDURE**

- 6.1 The State Law Advisers and the National Treasury are of the opinion that this Bill must be dealt with in accordance with the procedure prescribed by section 76(1) of the Constitution, since it provides for legislation envisaged in Chapter 13 of the Constitution, and it includes provisions affecting the financial interests of the provincial sphere of government, as contemplated in section 76(4)(b) of the Constitution.
- 6.2 The State Law Advisers are of the opinion that it is not necessary to refer this Bill to the National House of Traditional Leaders in terms of section 18(1)(a) of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003), since it does not contain provisions pertaining to customary law or the customs of traditional communities.

# DIVISION OF REVENUE ATTACHMENTS

	<i>Page</i>
1. Website “Annexure W1” to the 2013 Budget Review: Explanatory Memorandum to the Division of Revenue .....	57
2. Annexure W2: Frameworks for Conditional Grants to Provinces.....	110
3. Annexure W3: Frameworks for Conditional Grants to Municipalities .....	170
4. Annexure W4: Specific Purpose Allocations to Municipalities (Schedules 5B and 7B): Current Grants.....	205
5. Annexure W5: Infrastructure Grant Allocations to Municipalities (Schedules 4B and 5B).....	224
6. Annexure W6: Allocations-In-Kind to Municipalities (Schedule 6B) .....	243
7. Annexure W7: Equitable Share and Total Allocations to Municipalities by National and Municipal Financial Years .....	253
8. Appendix W1: Equitable Share Allocations to Municipalities (Equitable Share Formula Allocations + RSC Levies Replacement + Special Support for Councillor Remuneration and Ward Committees + Breakdown of Equitable Share Allocations per Local Municipality per Service for District Municipalities authorised for Services) .....	261
9. Appendix W2: Breakdown of MIG and MWIG Allocations per Local Municipality for District Municipalities authorised for Services ....	271
10. Appendix W3: Targets for EPWP Integrated Grant for Municipalities .....	277
11. Appendix W4: Breakdown of Regional Bulk Infrastructure Grant Allocations per Local Municipality per Project .....	287
12. Appendix W5: Breakdown of EPWP Integrated Grant for Provinces: Targets and Allocations per Provincial Department .....	293
13. Appendix W6: Breakdown of Social Sector EPWP Incentive Grant for Provinces: Allocations per Provincial Department .....	296
14. Appendix W7: Breakdown of Health Facility Revitalisation Grant: Allocations per Grant Component per Province .....	298
15. Appendix W8: Breakdown of National Health Grant: Allocations per Grant Component per Province .....	300

**EXPLANATORY MEMORANDUM  
TO THE DIVISION OF REVENUE**

**(Website “Annexure W1” to the 2013 Budget Review)**

# W1

## Explanatory memorandum to the division of revenue

### ■ Background

Section 214(1) of the Constitution requires that every year a Division of Revenue Act determine the equitable division of nationally raised revenue between national government, the nine provinces and 278 municipalities. This process takes into account the powers and functions assigned to each sphere of government. The division of revenue process fosters transparency and is at the heart of constitutional cooperative governance.

The Intergovernmental Fiscal Relations Act (1997) prescribes the process for determining the equitable sharing and allocation of nationally raised revenue. Sections 9 and 10(4) of the act set out the consultation process to be followed with the Financial and Fiscal Commission (FFC), including considering recommendations made regarding the division of revenue.

This explanatory memorandum to the 2013 Division of Revenue Bill fulfils the requirement set out in section 10(5) of the Intergovernmental Fiscal Relations Act that the bill be accompanied by an explanatory memorandum detailing how it takes account of the matters listed in sections 214(2)(a) to (j) of the Constitution, government's response to the FFC's recommendations, and any assumptions and formulas used in arriving at the respective divisions among provinces and municipalities. This explanatory memorandum has six sections:

- Part 1 lists the factors that inform the division of resources between national, provincial and local government.
- Part 2 describes the 2013 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2013 division of revenue have been taken into account.
- Part 4 explains the formula and criteria for the division of the provincial equitable share and conditional grants between provinces.
- Part 5 sets out the formula and criteria for the division of the local government equitable share and conditional grants between municipalities.

- Part 6 summarises issues that will form part of subsequent reviews of provincial and local government fiscal frameworks.

The Division of Revenue Bill and its underlying allocations are the result of extensive consultation between national, provincial and local government. The Budget Council deliberated on the matters discussed in this memorandum at several meetings during the year. The approach to local government allocations was discussed with organised local government at technical meetings with the South African Local Government Association (SALGA), culminating in meetings of the Budget Forum (Budget Council plus SALGA). An extended Cabinet meeting involving ministers, provincial premiers and the SALGA chairperson was held on 10 October 2012. The division of revenue – and the government priorities that underpin it – was agreed for the next three years.

## ■ Part 1: Constitutional considerations

Section 214 of the Constitution requires that the annual Division of Revenue Act be enacted only after factors in sub-sections (2)(a) to (j) of the Constitution are taken into account. These include national interest, debt provision, needs of national government and emergencies, the resource allocation for basic services and developmental needs, fiscal capacity and efficiency of the provincial and local spheres, reduction of economic disparities, and promotion of stability and predictability. The constitutional principles taken into account in deciding on the division of revenue are briefly noted below.

### **National interest and the division of resources**

The national interest is encapsulated by those governance goals that benefit the nation as a whole. The National Development Plan, endorsed by Cabinet in November 2012, sets out a long-term vision for the country's development. This is complemented by the strategic integrated projects (SIPs) overseen by the Presidential Infrastructure Coordinating Council and the 12 priority outcomes adopted by Cabinet in 2010. In the 2012 *Medium Term Budget Policy Statement*, the Minister of Finance outlined how the resources available to government over the 2013 medium-term expenditure framework (MTEF) would be allocated to help achieve these goals. A detailed analysis of how funds have been allocated based on these priorities can be found in Chapter 4 of the 2012 *Medium Term Budget Policy Statement* and Chapter 8 of the 2013 *Budget Review*. The frameworks for each conditional grant allocated as part of the division of revenue also note how the grant is linked to the 12 priority outcomes.

### **Provision for debt costs**

The resources shared between national, provincial and local government include proceeds from national government borrowing used to fund spending by all spheres. National government provides for the resulting debt costs to protect the country's integrity and credit reputation. A more detailed discussion can be found in Chapter 5 of the 2013 *Budget Review*.

### **National government's needs and interests**

The Constitution assigns exclusive and concurrent powers and functions to each sphere of government. National government is exclusively responsible for functions that serve the national interest and are best centralised. National and provincial government have concurrent responsibility for a range of functions. Provincial and local government receive equitable shares and conditional grants to enable them to provide basic services and perform their functions. Changes have been made to a number of national transfers to provincial and local government to improve their efficiency, effectiveness and alignment with national strategic objectives.

### **Provincial and local government basic services**

Provinces and municipalities are assigned key service-delivery functions such as education, health, social development, housing, roads, and provision of electricity, water and municipal infrastructure. They have significant autonomy to allocate resources to meet basic needs and respond to provincial and local priorities, while giving effect to national priorities. The division of revenue provides equitable shares to provinces and local government. This year's division of revenue allocates additional resources to provinces to provide for the effects of the 2012 public-sector wage agreements, repair infrastructure damaged by floods, extend and improve school facilities, expand library services, improve health services and increase social welfare services. Transfers to local government have grown significantly in recent years, providing municipalities with greater resources to deliver basic services. This is in addition to the substantial own-revenue-raising powers available to local government. In the 2013 division of revenue, additional resources have been made available to compensate for the rising costs of providing free basic water and electricity, accelerate access to these services and ensure their sustainability.

### **Fiscal capacity and efficiency**

National government has primary revenue-raising powers. Provinces have limited revenue-raising capacity and the resources required to deliver provincial functions do not lend themselves to self-funding or cost recovery. Municipalities finance most of their expenditure through property rates, user charges and fees. However, rural municipalities raise significantly less revenue than larger urban and metropolitan municipalities. Due to their limited revenue-raising potential and their responsibility to implement government priorities, provinces receive a larger share of nationally raised revenue than local government. Local government's portion has significantly increased over the last few years and will continue to grow over the medium term. The provincial equitable share formula was reviewed in 2010 and the recommendations were implemented in 2011. In the 2013 MTEF, the formula is updated with 2011 Census data. Over this period, a new approach to the funding of provincial infrastructure will be implemented to promote better planning and implementation (details of this new approach are provided in part 6 of this annexure). A review of the local government equitable share was completed during 2012 and a new formula will be phased in from 2013/14 (details of the formula review and the new formulas are provided in part 5 of this annexure). These reviews are part of wider, ongoing reviews of provincial and local government functions and the funding thereof to ensure efficient and effective resource allocations.

### **Developmental needs**

Developmental needs are accounted for at two levels: first, in the determination of the division of revenue, which explains the continued commitment to grow provincial and local government shares of nationally raised revenue, and second, in the determination of the division within each sphere through the formulas used for dividing national transfers among municipalities and provinces. Developmental needs are encapsulated in the equitable share formulas for provincial and local government and in specific conditional grants. In particular, various infrastructure grants and growing capital budgets aim to boost the economic and social development of provinces and municipalities.

### **Economic disparities**

Both the equitable share and infrastructure grant formulas are redistributive towards poorer provinces and municipalities. Government is investing in economic infrastructure (roads) and social infrastructure (schools, hospitals and clinics) to stimulate economic development and job creation, and address economic and social disparities.

### **Obligations in terms of national legislation**

The Constitution confers autonomy on provincial governments and municipalities to determine priorities and allocate budgets. National government is responsible for policy development, national mandates, setting national norms and standards for provincial and municipal functions and monitoring

implementation for concurrent functions. The 2013 MTEF and division of revenue provide additional funding for the 2012 wage agreements, which were higher than expected. Additions to conditional grants address the demand for HIV and Aids prevention and treatment programmes, and access to housing and basic services. The local government equitable share has been increased to address the rising costs of providing free basic services to poor households. These allocations are in addition to obligations funded through existing provincial and local government baseline allocations.

### **Predictability and stability**

Provincial and local government equitable share allocations are based on estimates of nationally raised revenue. If nationally raised revenue falls short of the estimates within a given year, the equitable shares of provinces and local government will not be adjusted downwards. Allocations are assured (voted, legislated and guaranteed) for the first year and are transferred according to a payment schedule. To contribute to longer-term predictability and stability, estimates for a further two years are published with the annual proposal for appropriations. Adjusted estimates as a result of changes to data underpinning the equitable share formulas and revisions to the formulas are phased in to ensure minimal disruption.

### **Flexibility in responding to emergencies**

Government has a contingency reserve that provides a cushion for emergencies and unforeseeable events. In addition, two conditional grants for disasters allow for the swift allocation and transfer of funds to affected provinces and municipalities. Sections 16 and 25 of the Public Finance Management Act (1999) make specific provision for the allocation of funds to deal with emergency situations. Section 30(2) deals with adjustment allocations for unforeseeable and unavoidable expenditure. Section 29 of the Municipal Finance Management Act (2003) allows a municipal mayor to authorise unforeseeable and unavoidable expenditure in an emergency.

## **■ Part 2: The 2013 division of revenue**

Expenditure in the 2013 MTEF will remain within the bounds set out in the 2012 Budget. National and provincial departments implemented savings measures and reprioritised spending to make additional resources available to fund government priorities in the 2013 Budget.

Excluding debt-service costs and the contingency reserve, allocated expenditure shared between the three spheres amounts to R951.3 billion, R1 trillion and R1.1 trillion over each of the MTEF years. These allocations take into account government's spending priorities, the revenue-raising capacity and responsibilities of each sphere, and input from various intergovernmental forums and the FFC. The provincial and local equitable share formulas are designed to ensure desirable, stable and predictable revenue shares, and to address economic and fiscal disparities.

### **Government's policy priorities for the 2013 MTEF**

Government has adopted a policy of changing the composition of spending to focus on promoting economic support and development, investing in infrastructure, creating jobs and enhancing local government capacity.

Following the saving exercise mentioned above, additional resources are allocated to provinces to cover the following:

- The 2012 wage agreements
- Cushioning the impact of the phasing in of the 2011 Census data in the provincial equitable share formula
- Increased numbers of teachers for poor schools and Grade R
- Improved diagnostics for tuberculosis
- Increased assistance to non-governmental organisations providing social development services

- Absorption of social work graduates
- Continued expansion of HIV and Aids prevention and treatment programmes
- Investment in provincial roads
- Upgrade of informal settlements in mining towns
- Improvements in community library services
- School infrastructure.

Local government allocations receive additional funds to:

- Compensate for the rising costs of providing free basic water and electricity to poor households
- Accelerate provision of access to clean water through bulk and reticulation projects
- Accelerate provision of access to electricity and improving the sustainability of access through the refurbishment of key infrastructure
- Expand the collection and use of data on the condition of municipal roads
- Increasing the number of interns with infrastructure-related skills working in municipalities
- Host the 2014 African Nations Championship
- Promote more integrated and efficient cities.

Table W1.1 shows additional allocations for major infrastructure projects.

**Table W1.1 Infrastructure project proposals**

R million	2013/14	2014/15	2015/16	Total
<b>Local government, housing and community amenities</b>	<b>1 321</b>	<b>2 134</b>	<b>5 652</b>	<b>9 108</b>
Interim bulk water supply	311	585	1 400	<b>2 296</b>
Indirect grant: Regional bulk water infrastructure	269	954	1 953	<b>3 176</b>
Pilanesberg (Magalies water)	200	–	–	<b>200</b>
Human settlements development (informal settlements upgrading)	–	110	830	<b>940</b>
Social housing	160	90	435	<b>686</b>
Municipal infrastructure supports agency	60	60	60	<b>180</b>
De Hoop dam	171	335	974	<b>1 480</b>
Acid mine drainage	150	–	–	<b>150</b>
<b>Transport, energy and communication</b>	<b>1 193</b>	<b>1 596</b>	<b>3 284</b>	<b>6 073</b>
Sentech	277	–	–	<b>277</b>
SANEDI: <sup>1</sup> Research and development	71	111	35	<b>217</b>
Integrated national electrification programme	320	77	500	<b>897</b>
South African National Roads Agency (SANRAL)	275	–	1 126	<b>1 401</b>
Passenger Rail Agency of South Africa (PRASA)	250	1 408	1 623	<b>3 281</b>
<b>Education and related functions</b>	<b>150</b>	<b>500</b>	<b>1 000</b>	<b>1 650</b>
New universities in Northern Cape and Mpumalanga	150	500	1 000	<b>1 650</b>
<b>Health</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>90</b>
Infrastructure unit systems support programme	30	30	30	<b>90</b>
<b>Transport, energy and communication</b>	<b>191</b>	<b>195</b>	<b>1 922</b>	<b>2 309</b>
Indirect grant: Integrated national electrification programme: Eskom	191	195	1 522	<b>1 909</b>
Provincial roads maintenance	–	–	400	<b>400</b>
<b>Total</b>	<b>2 886</b>	<b>4 455</b>	<b>11 888</b>	<b>19 229</b>

1. South African National Energy Development Institute

## The fiscal framework

Table W1.2 presents medium-term macroeconomic forecasts for the 2013 Budget. It sets out the growth assumptions and fiscal policy targets on which the fiscal framework is based.

**Table W1.2 Medium-term macroeconomic assumptions, 2012/13 – 2015/16**

R billion	2012/13		2013/14		2014/15		2015/16
	2012 Budget	2013 Budget	2012 Budget	2013 Budget	2012 Budget	2013 Budget	2013 Budget
Gross domestic product	3 301.4	3 209.1	3 622.2	3 520.3	3 997.0	3 880.4	4 270.8
<i>Real GDP growth</i>	3.0%	2.5%	3.8%	3.0%	4.3%	3.6%	3.8%
<i>GDP inflation</i>	7.0%	5.4%	5.7%	5.3%	5.8%	6.5%	6.4%
<b>National budget framework</b>							
Revenue	799.3	782.5	894.3	873.0	997.2	967.9	1 070.7
<i>Percentage of GDP</i>	24.2%	24.4%	24.7%	24.8%	24.9%	24.9%	25.1%
Expenditure	969.4	967.0	1 053.8	1 055.1	1 139.6	1 138.0	1 225.7
<i>Percentage of GDP</i>	29.4%	30.1%	29.1%	30.0%	28.5%	29.3%	28.7%
Main budget balance <sup>1</sup>	-170.0	-184.5	-159.5	-182.1	-142.4	-170.1	-155.0
<i>Percentage of GDP</i>	-5.2%	-5.7%	-4.4%	-5.2%	-3.6%	-4.4%	-3.6%

1. A positive number reflects a surplus and a negative number a deficit

Table W1.3 sets out the division of revenue for the 2013 MTEF after accounting for new policy priorities.

**Table W1.3 Division of nationally raised revenue, 2009/10 – 2015/16**

R million	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Outcome			Revised estimate	Medium-term estimates		
Debt-service costs	57 129	66 227	76 460	88 325	99 741	108 718	118 163
Non-interest expenditure	690 068	738 914	812 063	878 642	955 333	1 029 262	1 107 564
<i>Percentage increase</i>	18.7%	7.1%	9.9%	8.2%	8.7%	7.7%	7.6%
<b>Total expenditure</b>	<b>747 197</b>	<b>805 141</b>	<b>888 523</b>	<b>966 967</b>	<b>1 055 075</b>	<b>1 137 981</b>	<b>1 225 727</b>
<i>Percentage increase</i>	17.5%	7.8%	10.4%	8.8%	9.1%	7.9%	7.7%
Contingency reserve	–	–	–	–	4 000	6 500	10 000
<b>Division of available funds</b>							
<b>National departments</b>	<b>345 366</b>	<b>355 188</b>	<b>381 324</b>	<b>413 098</b>	<b>452 530</b>	<b>489 456</b>	<b>521 706</b>
<b>Provinces</b>	<b>293 164</b>	<b>322 822</b>	<b>362 488</b>	<b>388 516</b>	<b>414 152</b>	<b>441 727</b>	<b>474 389</b>
Equitable share	236 891	265 139	291 736	313 016	337 572	359 924	383 697
Conditional grants	56 273	57 682	70 753	75 500	76 580	81 803	90 692
<b>Local government</b>	<b>51 537</b>	<b>60 904</b>	<b>68 251</b>	<b>77 028</b>	<b>84 651</b>	<b>91 579</b>	<b>101 469</b>
Equitable share <sup>1</sup>	23 845	30 541	33 173	37 373	40 582	44 490	50 208
General fuel levy sharing with metropolitan municipalities	6 800	7 542	8 573	9 040	9 613	10 190	10 659
Conditional grants	20 892	22 821	26 505	30 615	34 456	36 899	40 603
<b>Total</b>	<b>690 068</b>	<b>738 914</b>	<b>812 063</b>	<b>878 642</b>	<b>951 333</b>	<b>1 022 762</b>	<b>1 097 564</b>
<i>Percentage shares</i>							
National departments	50.0%	48.1%	47.0%	47.0%	47.6%	47.9%	47.5%
Provinces	42.5%	43.7%	44.6%	44.2%	43.5%	43.2%	43.2%
Local government	7.5%	8.2%	8.4%	8.8%	8.9%	9.0%	9.2%

1. With effect from 2006/07, the local government equitable share includes compensation for the termination of Regional Services Council (RSC) and Joint Services Board levies for metros and district municipalities. From 2009/10 the RSC levies replacement grant is only allocated to district municipalities

Table W1.4 shows how additional resources are divided. The new focus areas and additional allocations are accommodated through shifting savings towards priorities.

**Table W1.4 Changes over baseline, 2013/14 – 2015/16**

R million	2013/14	2014/15	2015/16
National departments	6 310	10 628	24 752
Provinces	3 060	4 723	17 283
Local government	793	873	6 608
<b>Allocated expenditure</b>	<b>10 164</b>	<b>16 223</b>	<b>48 643</b>

Table W1.5 sets out schedule 1 of the Division of Revenue Bill, which reflects the legal division of revenue between national, local and provincial government. In this division, the national share includes all conditional grants to provinces and local government in line with section 214(1) of the Constitution, and their allocations reflect equitable shares only.

**Table W1.5 Schedule 1 of the Division of Revenue Bill, 2013/14 – 2015/16**

R million	2013/14	2014/15	2015/16
	Column A Allocation	Column B Forward estimates	
National <sup>1, 2</sup>	676 920	733 566	791 822
Provincial	337 572	359 924	383 697
Local	40 582	44 490	50 208
<b>Total</b>	<b>1 055 075</b>	<b>1 137 981</b>	<b>1 225 727</b>

1. National share includes conditional grants to provinces and local government, general fuel

levy sharing with metropolitan municipalities, debt-service costs and the contingency reserve

2. Direct charges for the provincial equitable share are netted out

The 2013 *Budget Review* sets out in detail how constitutional issues and government's priorities are taken into account in the 2013 division of revenue. It focuses on the economic and fiscal policy considerations, revenue issues, debt and financing considerations, and expenditure plans. Aspects of national, provincial and local government financing are discussed in detail in Chapter 8 of the 2013 *Budget Review*.

### **Part 3: Response to the recommendations of the FFC**

Section 9 of the Intergovernmental Fiscal Relations Act (1997) requires the FFC to make recommendations regarding:

- “An equitable division of revenue raised nationally, among the national, provincial and local spheres of government;
- the determination of each province's equitable share in the provincial share of that revenue; and
- any other allocations to provinces, local government or municipalities from the national government's share of that revenue, and any conditions on which those allocations should be made.”

The act requires that the FFC table these recommendations at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2013/14* to Parliament in May 2012. These recommendations are divided into 10 chapters, which cover three main areas: supporting inclusive growth (jobs, knowledge and regional development); climate change and environmental sustainability (opportunities and risks for inclusive growth and innovation); and institutional development for inclusive growth and innovation.

Section 214 of the Constitution requires that the FFC's recommendations be considered before tabling the division of revenue. Section 10 of the Intergovernmental Fiscal Relations Act requires that the Minister of Finance table a Division of Revenue Bill with the annual budget in the National Assembly. The bill must be accompanied by an explanatory memorandum setting out how government has taken into account the

FFC's recommendations when determining the division of revenue. This part of the explanatory memorandum complies with this requirement.

The FFC's recommendations can be divided into three categories:

- Recommendations that apply directly to the division of revenue
- Recommendations that indirectly apply to issues related to the division of revenue
- Recommendations that do not relate to the division of revenue.

Government responses to the first and second categories are provided below. Recommendations that do not apply to the division of revenue are being considered and dealt with through alternative processes.

## **Recommendations that apply directly to the division of revenue**

### *Chapter 1: Perspectives and prospects for job creation and the intergovernmental fiscal relations system*

#### **Impact of government spending on unemployment**

The FFC recommends that, "Government should re-direct government spending towards those activities that directly or indirectly create jobs through enhancing productivity performance. Activities such as health care, durable goods manufacturing, agriculture, community services, and hospitality and food service should also form the basis of much of the expanded infrastructure expenditure plan which traditionally have gone chiefly to construction activities (e.g. building highways and bridges, dams and flood control structures)."

#### **Government response**

Job creation is a key priority of government. The 2011 *Budget Review* discussed proposals to stimulate job creation based on government's position that job creation is an outcome of business investment and a thriving economy, as well as government's activities and the regulatory environment. These strategies include promoting education and skills development, the manufacturing competitiveness enhancement programme, the Jobs Fund, a youth wage subsidy, the community work and expanded public works programmes, and government's infrastructure investment programmes. The 2012 *Budget Review* highlighted that productivity gains are essential to improved growth and rising incomes. Wage settlements that increase real wages at a pace higher than labour productivity gains threaten the labour market's recovery and are a key impediment to growth throughout the economy.

### *Chapter 2: Financing e-education and achieving policy goals in public ordinary schools*

#### **Finance e-education and achieve policy goals in public ordinary schools**

The FFC recommends that, "E-education policy should be funded as a part of government's operating budget for the programme, just like teacher salaries, school buildings and other teaching aids."

#### **Government response**

Government supports the FFC's recommendation that an e-education policy should be funded and implemented, and that provinces should report on the implementation of and spending on e-education policy initiatives. This can be achieved by amending provincial performance indicators so that they include e-education in their annual performance plans and report against it in their annual reports.

### *Chapter 4: The impact of climate change on South Africa's rural areas*

#### **Adjust the objectives, terms and conditions and procedures of the municipal infrastructure grant**

The FFC recommends that, "The Department of Cooperative Governance should adjust the objectives, terms and conditions, and procedures of the *municipal infrastructure grant* to: (a) permit municipalities to

use grant funds for climate adaptation and mitigation investments that involve creating, rehabilitating or modifying municipal infrastructure; and (b) ensure that these investments prioritise and directly address the vulnerabilities faced by poor households.”

#### Government response

Government, through the Department of Cooperative Governance and the National Treasury, is reviewing the local government functional and fiscal framework, including local government conditional grants. The FFC’s concerns will be taken into account during this review. Possible reforms to the grants could include ensuring that infrastructure development (energy, water and transport sectors) is aligned with South Africa’s broader sustainable development and climate-change objectives.

#### Special municipal infrastructure grant component

The FFC recommends that, “The Department of Cooperative Governance should restructure the special municipal infrastructure grant component of the *municipal infrastructure grant* in order to (a) allow municipalities to acquire or rehabilitate ecological infrastructure, provided that the return on investment is greater than a comparable engineering solution; and (b) provide a funding window for rural municipalities to receive resources from the Green Fund and similar global resources in accordance with their terms and conditions.”

#### Government response

This issue will be addressed as part of the local government functional and fiscal framework review process discussed above.

### *Chapter 5: Alternative financing mechanisms for disaster management in South Africa*

#### The design of existing key municipal conditional grant programmes

The FFC recommends that, “National Treasury should require that environmental management and vulnerability objectives are explicitly incorporated into the design of existing key municipal grant programmes. These objectives should promote disaster risk-reduction methods (ex ante approach) and enhance municipal resilience to climate change through mitigation and adaptation methods. They should: (a) include the *integrated housing and human settlement development grant*, the *urban settlements development grant*, the *municipal infrastructure grant*, the *national electrification grant*, the *public transport infrastructure and systems grant* and the *regional bulk infrastructure grant*; (b) incorporate a statement of environmental and climate-change resilience objectives in each grant programme, together with measurable indicators; (c) prioritise the most vulnerable municipalities when determining the horizontal division of available resources in each programme; (d) provide for beneficiary municipalities to conduct appropriate climate-resilience evaluations on existing infrastructure over the medium term, subject to disaster risk-reduction methods being incorporated in respective integrated development plans; and (e) be accompanied by capacity support to and engagement with the most vulnerable municipalities to ensure that they are able to identify and address disaster risk comprehensively.”

#### Government response

Government has developed a planning toolkit for climate-change response to help municipalities incorporate mitigation, adaptation and response strategies into their integrated development plans and other planning processes. In the horizontal division of available resources, several factors are considered to promote equity, including the fiscal capacity and efficiency of municipalities. Vulnerability to climate-change impacts does not necessarily translate into a lack of fiscal capacity. As a result, using climate-change vulnerability as a key indicator of determining the municipalities’ equitable share or other grant allocations may compromise the principle of equity.

## Chapter 6: Financing of waste management in South Africa

### Job creation in the waste management sector

The FFC recommends that, “Government should take greater advantage of the opportunities for job creation in the solid waste sector, by incentivising municipalities to create ‘green’ jobs through labour-intensive service delivery. In particular: (a) the Department of Public Works should review the expanded public works programme, which may negatively impact on the ability of municipalities to support job creation in the sector due to the comparatively higher capital costs associated with solid waste collection and recycling activities; (b) the Department of Cooperative Governance should review the funding conditions of the *municipal infrastructure grant* to ensure that local-level municipal waste management assets are eligible for financing; (c) a portion of resources from the recently established Green Fund should provide transitional financial support to municipalities that introduce innovative, labour-intensive waste collection, reduction and recycling mechanisms to areas where services are currently inadequate. These might include developing small waste collection and recycling contractors or community cooperatives to manage waste buy-back centres and materials recovery facilities; and (d) the Department of Environmental Affairs should develop municipal guidelines and regulations that support community involvement in waste management activities through community-based trusts and partnerships.”

### Government response

Government, being conscious of the potential economic and social returns, is committed to investing in a green economy. The green economy is one of the New Growth Path’s ten “job drivers”. These interventions will accelerate and sustain economic growth in a more labour-absorbing, value-adding and environmentally sustainable manner.

Government will review the local government infrastructure conditional grants (including the *municipal infrastructure grant* and other infrastructure grants) during 2013/14. The FFC’s proposals will be considered as part of this review.

### Expand access to solid waste services to poor households

The FFC recommends that, “Government should emphasise the expansion of access to solid waste services to poor communities, while strengthening the policy framework for the provision of refuse removal free basic services. In particular: (a) the Department of Cooperative Governance should review the *municipal infrastructure grant* guidelines to ensure that (i) adequate funding for solid waste assets is available to municipalities with weaker fiscal capacity; and (ii) expenditures on specialised vehicles and equipment required for solid waste management services are eligible for financing; (b) the Department of Environmental Affairs should prioritise support to municipalities seeking to expand services to poor communities using labour-intensive service delivery, including investigating potential fiscal instruments that might be incorporated with the expanded public works programme or Green Fund; and (c) the Department of Environmental Affairs should commission a review of the refuse removal free basic services policy, with a specific focus on its impacts on (i) expanding and sustaining services to poor households; (ii) the affordability and quality of service to poor households; and (iii) environmental impacts, such as the extent of reduction in illegal dumping.”

### Government response

Government acknowledges the importance of promoting sustainable access to solid waste services. Conditional grants and the local government equitable share already provide funding for access to services for poor households. The primary capital grants available for municipal solid waste facilities are the *municipal infrastructure grant* and the *urban settlements development grant*. The *municipal infrastructure grant* provides basic residential infrastructure for poor households. The grant can be used for new infrastructure, upgrading bulk and connector infrastructure, or the rehabilitation of existing infrastructure. The *urban settlements development grant* replaced the *municipal infrastructure grant* in metropolitan municipalities. The local government equitable share includes funds for the operational costs of providing solid waste services. The equitable share formula was reviewed during 2012 (in partnership with the FFC)

and the infrastructure grants will be reviewed during 2013/14. The FFC's proposals will be taken into account as part of this process.

The National Policy for the Provision of Basic Refuse Removal Services to Indigent Households was gazetted in June 2011 and should be given time to be implemented before it is reviewed. The Department of Environmental Affairs provides support to municipalities through a range of measures that are being continually strengthened.

*Chapter 7: The impact of aggregate revenue and expenditure assignments on economic growth – the case of provinces and municipalities in South African intergovernmental relations*

**The role of non-metropolitan municipalities in economic growth**

The FFC proposes that, "Municipalities, and particularly non-metropolitan municipalities, should be encouraged to play a more direct role in economic growth. This can be achieved by (a) national government assigning greater revenue and tax handles to the municipalities than is presently the case; and (b) reassessing all elements to support the growth-enhancing role of municipalities, when reviewing the fiscal framework. These elements would include local government equitable share, local own-revenue sources (e.g. local business taxes) and conditional grants. Such reassessment should ensure a better balance between equity and growth objectives in the local government fiscal framework."

**Government response**

Government agrees that municipalities have an important role to play in supporting economic growth and that their ability to raise their own revenue creates both a source of funding for this objective and a positive incentive to promote economic activity in their municipal area. Government also agrees that potential impacts on economic growth should be considered in any review of local government funding. However, the fiscal framework also has to balance the need to ensure that government is able to meet its social and other objectives with the need to promote economic growth. Municipalities must ensure that they are making full use of their existing revenue-raising powers and that they spend their budgets efficiently.

*Chapter 9: Understanding the dynamics of the capacity challenge at local government level*

**Environmental constraints**

The FFC is of the view that, "Environmental constraints, specifically with respect to the allocation of powers and functions and the formulation of conditional grants, may need to be simultaneously adjusted."

**Government response**

Government agrees that funding and capacity should be based on the assignment of powers and functions. Any change in these responsibilities should be accompanied by an assessment of whether changes are needed in the conditional grant and capacity-support systems.

**Capacity-related conditional grants**

The FFC recommends that, "The grants' conditionality must commit municipalities to specific, independently verifiable capacity and performance improvements. Grants should be redesigned to consider the quality of capacity-building interventions, instead of having a narrow quantitative focus; and an external, objective evaluation dimension should also be included in capacity grant requirements."

**Government response**

National government took steps in 2010/11 to streamline and focus capacity-building support efforts. The *financial management grant* and *municipal systems improvement grant* frameworks have been improved to remove overlaps and include conditionalities. Commitments and their deliverables are being audited in line with the accountability arrangements in the Division of Revenue Act.

## **Recommendations that indirectly apply to the division of revenue**

### *Chapter 2: Financing e-education and achieving policy goals in public ordinary schools*

#### **Finance e-education and achieve policy goals in public ordinary schools in South Africa**

The FFC recommends that, “A well-structured, inter-governmental financing mechanism should be established with explicit guidelines to provincial departments of education regarding the budget line items that must be prioritised in their annual budget allocations, as well as those budget line items that will be contained in the national budget allocation. Decisions on the particular line items can be informed by a review of policy documents and various studies conducted on e-education over several years and by a broader review of the available knowledge of e-education financing across the globe.

“The impact of e-education policy and financing should be continuously assessed, taking into account cross-departmental issues and supporting measures from a range of government departments and relevant public-sector bodies (Department of Basic Education, Department of Higher Education and Training, Department of Labour, Department of Science and Technology, Department of Communications, metropolitan municipalities, the Independent Communications Authority of South Africa and others). Such assessment would consider both school-level and economy-wide impacts. From an analytical perspective, the requirements would be twofold: (a) to understand how e-education affects students’ decisions about acquiring ongoing skills in the education system (econometric analysis coupled with case studies, repeated over time); and (b) to consider interactions between e-education and the rest of the economy. Quantifying these interactions allows the value of various policy and financing options to be compared.”

#### **Government response**

Government agrees that successful e-education requires both content and technology. Education departments will need to allocate resources for infrastructure, hard and software, and training for the implementation of e-education policies. These must be integrated with and support the delivery of the curriculum. E-education should be factored into existing norms and standards and be included in routine budgeting, monitoring and evaluation.

### *Chapter 6: Financing of waste management in South Africa*

#### **Full cost accounting**

The FFC proposes that, “By the end of the 2015/16 financial year, government should phase in full cost accounting for solid waste management within municipalities. To achieve this goal, (a) government should develop specific (full cost accounting) guidelines for integrated municipal solid waste management that addresses the specific and interrelated environmental and service delivery needs of the sector, within the framework of activity-based costing that the National Treasury is introducing; and (b) government should develop a capacity-support programme to implement the guidelines that allows a phased introduction of full cost accounting starting with high-capacity municipalities that face major solid waste management.”

#### **Government response**

Government agrees that full cost accounting for solid waste should be phased in within municipalities. This will help determine the full costs of solid waste management as well as its component costs, which will allow municipalities to identify the service’s key cost drivers. Government has introduced many initiatives to support municipalities, such as the successful training of waste officers on waste-related issues. The Department of Environmental Affairs has also produced a costing tool to help municipalities cost their waste management service and set appropriate tariffs. Government will continue to encourage municipalities to use these tools.

*Chapter 7: The impact of aggregate revenue and expenditure assignments on economic growth – the case of provinces and municipalities in South African intergovernmental relations*

**Alternative aggregate revenue and expenditure assignment for provinces and municipalities**

The FFC recommends that, “The key principles of national strategies such as the New Growth Path document and the National Planning Commission’s Vision for 2030 need to permeate provincial and local strategies. This can be achieved by translating these principles into complete sub-national strategies with full details on sustained implementation, followed by provincial and local governments’ commitment to achieve the goals identified in the strategies. Key components for sub-national government to consider are capital and labour inputs, and multifactor productivity. Provincial and municipal governments should continue to invest in physical and human capital, focusing specifically on issues such as lack of adequate skills and physical infrastructure needs (maintenance, better location, etc). In addition, effective management and accountability mechanisms should be aimed at increasing multifactor productivity.”

**Government response**

Government agrees that provinces and municipalities should continue to invest in physical and human capital. These investments should be consistent with the policy direction set out in the New Growth Path, the National Development Plan and other policies adopted by Cabinet.

**Municipal revenue-collection efforts**

The FFC is of the view that, “Municipalities are not necessarily doing a good job of collecting revenue from the public. Hence, municipalities need to improve their revenue-collection efforts, as these can positively contribute towards economic growth. It is well known that in South Africa some municipalities (for example, metropolitan municipalities) are raising substantial revenues, while other municipalities are still very dependent on transfers from national government. Issues that need to be addressed include weak capacity within local administrations, small tax bases, delivery of free basic services requiring high municipal expenditures (that can only be financed through national transfers), and a lack of ‘payment culture’ for services.”

**Government response**

Government acknowledges that revenue-collecting performance varies widely among municipalities. Not all municipalities have the potential to collect the same proportion of income from own revenue, but they all need to make the necessary effort to collect what they can. Failure to do so leaves municipalities with fewer resources to invest in service delivery, including services that support economic growth. While national government agrees that weak capacity within municipalities and a “lack of payment culture” are important issues to address, the costs of free basic services for poor households are already funded by transfers through the local government equitable share. Municipalities with small tax bases are still responsible for collecting revenue due to them and should be able to fund their operations with a combination of transfers and own revenues if they spend efficiently.

Government is addressing the quality of municipalities’ revenue-management capabilities through an in-depth analysis of the revenue value chain, considering all variables that constitute effective and efficient revenue management. Government agrees that the municipal administrative capabilities should be enhanced by building institutional knowledge and improving their ability to enforce by-laws.

*Chapter 9: Understanding the dynamics of the capacity challenge at local government level*

**Capacity-building interventions**

The FFC recommends that, “Capacity-building interventions should holistically coordinate individual, organisational and institutional level dimensions of capacity building in a particular municipality over the medium term. Instead of focusing disproportionately on training, support programmes should include technical support for new systems, business process redesign and change management, based on an assessment of the relevant municipality. The level dimensions have been summarised as follows:

*“Individual:* officials must have the necessary technical skills, knowledge, experience and competencies to fulfil their particular functions. This means appointing the correct person to the correct post (adherence to recruitment, selection and any minimum competency requirements) and ensuring that officials then receive training (both accredited and non-accredited) relevant to their areas of responsibilities, to ensure continued workplace effectiveness.

*“Organisational:* municipalities should be supported in compiling realistic integrated development plans, implementing functional and effective performance management systems and knowledge management policies, to enhance organisational memory and data management, and to ensure accurate and relevant reporting. Critical vacancies must also be filled and workable staff-retention strategies implemented. Skilled individuals must be appointed to vacant positions for which affirmative action candidates cannot be found, and audits should be conducted of municipal positions that fall outside the approved organisational structures.

*“Institutional:* greater differentiation and flexibility is required in the design of the local government fiscal framework. A differentiated approach is needed for the assignment of functions to municipalities, based on their capacity to effectively manage them. Once a municipality has proved its ability to provide a specific basket of services, decisions can be made regarding expanding the range of services provided by such a municipality. Where service delivery failures persist, such services should be removed from municipalities. Furthermore, the establishment of a coordinated capacity-building function across all local government departments is recommended. These actions must be complemented by simplified, streamlined and coordinated reporting requirements for local government and clearly defined roles and responsibilities for national and provincial departments. To assist rural municipalities, the value and practicality of an assistance programme should be explored, aimed at attracting and retaining scarce skills in these areas (similar to the scarce skills payments made to doctors in rural areas).”

### Government response

Government supports the recommendations relating to the different dimensions of capacity building. The National Treasury has developed a strategy for capacity building that incorporates these dimensions to deal with financial management disciplines in national, provincial and local government. Government also agrees that minimum standards should be set for the sectors identified in the recommendations. The sector departments, with legislated responsibilities in their respective areas, have also been encouraged to address capacity building in a holistic manner. For the recommendation to be effective, all sectors and spheres of government need to implement systems that ensure the appointment of suitably skilled and qualified officials.

### Minimum competencies entrenched in the Municipal Finance Management Act

The FFC recommends that, “Minimum competencies as entrenched in the Municipal Finance Management Act should be enforced so as to ensure that appropriate technical skills are in place. Based on field work conducted by the Commission, the following functions require particular attention: revenue management, supply chain management, sewerage and water treatment plant operators, road maintenance supervisors, health inspectors and planning and project managers.”

### Government response

Government agrees with the recommendations. The National Treasury set out the compliance process for minimum competency requirements in regulations promulgated in 2007, which came into effect on 1 January 2013. The regulations cover a wide range of financial management disciplines, including revenue management, supply chain management and project management. To facilitate the process and improve communication and compliance, the National Treasury has issued Municipal Finance Management Act circulars, most recently in April 2012. This circular addressed the support measures in place, recognition of prior learning, non-compliance and consideration of special merit cases, reporting requirements, accountability arrangements for municipal managers, and requirements to include these arrangements in performance agreements of senior managers.

## Chapter 10: Assessing gender-responsive budgeting in local government

### Assess gender-responsive budgeting in local government

The FFC recommends that, “National and provincial governments should (a) run gender budgeting pilots in a few municipalities first and evaluate results before wider application. These pilots could be linked to ensuring gender disaggregated data for key conditional grants as part of the grant framework in the Division of Revenue Act; (b) ensure municipal integrated development plans institutionalise gender planning by sector (e.g. water and sanitation, local economic development etc.) and include gender disaggregated performance indicators and targets; (c) provide gender budgeting good practice guides and toolkits; and (d) provide guidelines for collecting sex-disaggregated data for budgeting processes and ensure that municipalities have the capacity to analyse budgets from a gender perspective.”

The FFC also proposes that, “Local government should (a) institutionalise gender-responsive budgeting process linked to integrated development plans; (b) build capacity for gender mainstreaming and gender-responsive budgeting at local level; (c) ensure gender-responsive appropriations and budget allocations; and (d) ensure gender-sensitive public participation and consultations at local level.”

### Government response

Government supports the proposals, which will help ensure that the collection and allocation of public resources is effectively carried out and contributes to advancing gender equality and women’s empowerment. It will provide tools to assess the different needs and contributions of men, women, boys and girls within existing revenues, expenditures and allocations, and will call for adjusted budget policies to benefit all groups.

Gender-responsive budget analysis, along with legislation and other practical policy measures, can address gender bias and discrimination. It is a step towards increased accountability and public transparency, and it can shift economic policies leading to gains across society. However, the proposals’ implementation may be hindered by capacity constraints in municipalities.

## ■ Part 4: Provincial allocations

Sections 214 and 227 of the Constitution require that an equitable share of nationally raised revenue be allocated to provincial government to enable it to provide basic services and perform its allocated functions.

Of the R44.3 billion added to the provincial baseline over the next three years, the provincial equitable share baselines are revised upwards by R36.1 billion and conditional grants are increased by R8.2 billion. National transfers to provinces increase from R388.7 billion in 2012/13 to R414.2 billion in 2013/14. Over the MTEF period, provincial transfers will grow at an average annual rate of 6.9 per cent to R474.4 billion in 2015/16.

Table W1.6 sets out the total transfers to provinces for 2013/14, which amount to R414.2 billion, with R337.6 billion allocated to the provincial equitable share and R76.6 billion to conditional grants, which includes an unallocated R188 million for the *provincial disaster grant*, but excludes indirect transfers of R13.4 billion.

**Table W1.6 Total transfers to provinces, 2013/14**

<b>R million</b>	<b>Equitable share</b>	<b>Conditional grants</b>	<b>Total transfers</b>
Eastern Cape	50 165	9 466	<b>59 631</b>
Free State	20 000	6 021	<b>26 021</b>
Gauteng	61 375	15 510	<b>76 885</b>
KwaZulu-Natal	73 510	14 575	<b>88 085</b>
Limpopo	41 362	7 179	<b>48 541</b>
Mpumalanga	27 211	5 788	<b>32 998</b>
Northern Cape	9 022	3 274	<b>12 295</b>
North West	22 754	4 990	<b>27 744</b>
Western Cape	32 175	9 589	<b>41 764</b>
Unallocated	–	188	<b>188</b>
<b>Total</b>	<b>337 572</b>	<b>76 580</b>	<b>414 152</b>

### Provincial equitable share

The equitable share constitutes the main source of revenue for meeting provincial expenditure responsibilities. The proposed revisions of R7.4 billion, R10.1 billion and R18.6 billion bring the equitable share allocations to R337.6 billion in 2013/14, R359.9 billion in 2014/15 and R383.7 billion in 2015/16. These revisions result in the provincial equitable share increasing by 7.2 per cent between 2012/13 and 2013/14, and growing at an average annual rate of 6.8 per cent over the MTEF. These equitable share amounts include R2 billion in 2013/14, R2.2 billion in 2014/15 and R2.3 billion in 2015/16, which were previously part of the *devolution of property rate funds grant*. This grant is being phased into the provincial equitable share in the 2013 MTEF. The phase-in process is discussed in more detail later.

### Policy priorities underpinning equitable share revisions

The revisions to baseline equitable share allocations provide for personnel and policy adjustments for funding of urgent government priorities identified in education, health and social development. The personnel adjustments provide for the impact of the 2012 wage agreements on personnel budgets in all sectors. Policy-related adjustments to the provincial equitable share provide for an increased number of teachers in Quintile 1 schools and in Grade R, improved diagnostic tests for tuberculosis, absorption of social work graduates, and support to non-governmental organisations for the provision of social welfare services.

### The equitable share formula

The provincial equitable share formula is reviewed and updated with new data annually. For the 2013 MTEF, the formula has been updated with data from the 2011 Census on the population and the school-age cohort (5 to 17 year olds); data from the 2012 School Realities Survey conducted by the Department of Basic Education on school enrolment; data from the 2011 General Household Survey for medical aid coverage; data from the health sector and the Risk Equalisation Fund for the risk-adjusted capitation index; and data from the 2010 gross domestic product by region (GDP-R) survey and the 2010 Income and Expenditure Survey for poverty. The impact of these updates on the provincial equitable share is phased in over three years (2013/14 to 2015/16).

Because the formula is largely population-driven, the allocations capture shifts in population across provinces, which leads to changes in the relative demand for public services across these areas. This can be seen in the changes in the equitable shares of different provinces after updating the formula with population data from the 2011 Census.

### Population shifts in 2011 Census data

Over 60 per cent of the formula uses population data and the new census reveals larger changes in the population of some provinces than anticipated in the mid-year population estimates (used to update the formula in previous years). Table W1.7 below shows population changes between the 2011 mid-year estimates used in the 2012 formula and the 2011 Census data. Some provinces recorded significantly smaller populations in the 2011 Census than had been estimated, including KwaZulu-Natal, the Eastern Cape, Limpopo and the Free State. Gauteng has the highest population increase of close to 1 million people.

**Table W1.7 2011 mid-year estimates vs 2011 Census**

	2011 mid-year estimates	2011 Census	Population shifts	Percentage shares (mid-year 2011)	Percentage shares (2011 Census)	Population shifts
Eastern Cape	6 829 958	6 562 053	-267 905	13.5%	12.7%	-0.83%
Free State	2 759 644	2 745 590	-14 054	5.5%	5.3%	-0.15%
Gauteng	11 328 203	12 272 263	944 060	22.4%	23.7%	1.31%
KwaZulu-Natal	10 819 130	10 267 300	-551 830	21.4%	19.8%	-1.55%
Limpopo	5 554 657	5 404 868	-149 789	11.0%	10.4%	-0.54%
Mpumalanga	3 657 181	4 039 939	382 758	7.2%	7.8%	0.57%
Northern Cape	1 096 731	1 145 861	49 130	2.2%	2.2%	0.05%
North West	3 253 390	3 509 953	256 563	6.4%	6.8%	0.35%
Western Cape	5 287 863	5 822 734	534 871	10.5%	11.2%	0.79%
<b>Total</b>	<b>50 586 757</b>	<b>51 770 561</b>	<b>1 183 804</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

### Provision for 2011 Census impact

The formula has been updated to reflect these shifts in provincial populations. As a result, provinces with increased populations received additional resources for their growing service-delivery responsibilities, while those with decreasing populations receive reduced allocations. Sufficient time will be given to provinces with reduced populations to adjust to smaller budgets. An addition of R6.3 billion is made available over the MTEF to cushion the impact of the new census data. An amount of R4.2 billion is added as a “top-up” for provinces with declining shares over the MTEF, and R2.1 billion is extended to all nine provinces and allocated through the formula in 2015/16. The R4.2 billion top-up for the four provinces with declining shares is shown in Table W1.8.

**Table W1.8 Provincial equitable share: Cushioning for 2011 Census impact on provinces with declining shares**

	2013/14	2014/15	2015/16
R thousand	Medium-term estimates		
Eastern Cape	185 962	421 166	685 628
Free State	34 594	78 350	171 261
Gauteng	-	-	-
KwaZulu-Natal	289 915	656 600	773 075
Limpopo	131 193	297 127	487 036
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
<b>Total</b>	<b>641 664</b>	<b>1 453 243</b>	<b>2 117 000</b>



### Full impact of data updates on the provincial equitable share

Table W1.11 shows the full impact of the data updates on the provincial equitable share per province. The provinces with negative shifts in population according to the 2011 Census experienced a declining trend in their equitable shares, with significant upward revisions in the shares of provinces with increased population numbers. This table compares the target shares for the 2012 and 2013 MTEF.

**Table W1.11 Full impact on data updates on the equitable share**

	2012 MTEF	2013 MTEF	Difference
Eastern Cape	14.9%	14.2%	-0.79%
Free State	5.8%	5.6%	-0.20%
Gauteng	18.0%	19.4%	1.44%
KwaZulu-Natal	22.2%	21.3%	-0.89%
Limpopo	12.4%	11.8%	-0.56%
Mpumalanga	7.9%	8.2%	0.24%
Northern Cape	2.6%	2.7%	0.05%
North West	6.6%	6.9%	0.21%
Western Cape	9.4%	10.0%	0.51%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

For the 2013 Budget, the formula components are set out as follows:

- An *education component* (48 per cent) based on the size of the school-age population (ages 5 to 17) and the number of learners (Grade R to 12) enrolled in public ordinary schools.
- A *health component* (27 per cent) based on a combination of a risk-adjusted capitation index for the population, which takes into account the health risks associated with the demographic profile of the population and the relative share of case-loads in hospitals. The risk-adjusted capitation index is given a 75 per cent weighting and the case-load (output component) has a 25 per cent weighting.
- A *basic component* (16 per cent) derived from each province's share of the national population.
- An *institutional component* (5 per cent) divided equally between the provinces.
- A *poverty component* (3 per cent) reinforcing the redistributive bias of the formula.
- An *economic output component* (1 per cent) based on GDP-R data.

#### *Education component (48 per cent)*

The education component uses the school-age population (5 to 17 years), based on the 2011 Census, and enrolment data drawn from the 2012 School Realities Survey conducted by the Department of Basic Education. Each of these elements is assigned a weight of 50 per cent.

Table W1.12 shows the changes in the school-going age population between the census of 2001 and 2011.

**Table W1.12 Impact of changes in school enrolment on the education component share**

	Age cohort 5 – 17	School enrolment		Changes in enrolment	Weighted average		Difference in weighted average
		2011	2012		2012 MTEF	2013 MTEF	
Eastern Cape	1 856 317	1 963 578	1 938 837	-24 741	16.3%	15.3%	-0.99%
Free State	657 489	658 010	660 966	2 956	5.6%	5.3%	-0.29%
Gauteng	2 231 793	2 017 931	2 062 526	44 595	15.7%	17.3%	1.66%
KwaZulu-Natal	2 758 594	2 847 378	2 866 369	18 991	23.2%	22.7%	-0.52%
Limpopo	1 536 294	1 695 524	1 714 518	18 994	13.9%	13.1%	-0.73%
Mpumalanga	1 053 846	1 046 551	1 051 356	4 805	8.4%	8.5%	0.09%
Northern Cape	288 839	274 745	276 420	1 675	2.2%	2.3%	0.08%
North West	824 724	765 120	774 615	9 495	6.3%	6.5%	0.15%
Western Cape	1 174 625	1 015 038	1 034 392	19 354	8.4%	8.9%	0.56%
<b>Total</b>	<b>12 382 521</b>	<b>12 283 875</b>	<b>12 379 999</b>	<b>96 124</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

Table W1.13 shows the impact of the changes in school-age cohort (5 to 17 years) and new enrolment data on the education component shares.

**Table W1.13 School-age cohort, 5 – 17 years (2001 Census versus 2011 Census)**

Province	Person age 5 – 17 (Census 2001)	Person age 5 – 17 (Census 2011)	Population shifts	Percentage shares (2001)	Percentage shares (2011)	Population shifts
Eastern Cape	2 151 992	1 856 317	-295 675	16.6%	15.0%	-1.65%
Free State	760 486	657 489	-102 997	5.9%	5.3%	-0.57%
Gauteng	1 931 719	2 231 793	300 074	14.9%	18.0%	3.09%
KwaZulu-Natal	3 013 243	2 758 594	-254 649	23.3%	22.3%	-1.02%
Limpopo	1 798 862	1 536 294	-262 568	13.9%	12.4%	-1.50%
Mpumalanga	1 074 972	1 053 846	-21 126	8.3%	8.5%	0.20%
Northern Cape	280 975	288 839	7 864	2.2%	2.3%	0.16%
North West	826 218	824 724	-1 494	6.4%	6.7%	0.27%
Western Cape	1 094 565	1 174 625	80 060	8.5%	9.5%	1.02%
<b>Total</b>	<b>12 933 032</b>	<b>12 382 521</b>	<b>-550 511</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

#### *Health component (27 per cent)*

A new health component for the provincial equitable share formula was adopted in 2010 and implemented in the 2011 Budget. The 2011 Annexure W1 explained how the new health component is calculated and the rationale behind it. The component uses a risk-adjusted capitation index based on the Risk Equalisation Fund and output data from public hospitals to estimate each province's share of the health component. These two methods work together to balance needs (risk-adjusted capitation) and demands (output component).

The health component is presented in three parts below. Table W1.14 shows the shares of the risk-adjusted component, which accounts for 75 per cent of the health component.

**Table W1.14 Risk-adjusted sub-component shares**

Thousand	Population Census	Insured population	Risk- adjusted index	Weighted population	Risk-adjusted shares		Change
	2011	2011	2012		2012	2013	
Eastern Cape	6 562	11.1%	96.9%	5 650	14.0%	13.0%	-0.94%
Free State	2 746	17.0%	103.3%	2 353	5.6%	5.4%	-0.20%
Gauteng	12 272	23.9%	105.4%	9 845	21.0%	22.7%	1.72%
KwaZulu-Natal	10 267	12.3%	98.9%	8 906	22.0%	20.6%	-1.45%
Limpopo	5 405	7.2%	91.6%	4 596	11.1%	10.6%	-0.52%
Mpumalanga	4 040	14.4%	95.7%	3 310	7.2%	7.6%	0.43%
Northern Cape	1 146	13.0%	100.7%	1 004	2.3%	2.3%	0.06%
North West	3 510	13.6%	102.2%	3 100	6.8%	7.2%	0.32%
Western Cape	5 823	25.1%	104.0%	4 537	9.9%	10.5%	0.59%
<b>Total</b>	<b>51 771</b>			<b>43 301</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted capitation index, which is calculated using data from the Council for Medical Aids Scheme's Risk Equalisation Fund. The percentage of the population with medical aid insurance, based on the 2011 General Household Survey, is deducted from the 2011 Census population data to estimate the uninsured population per province. The risk-adjusted index, which is an index of the health risk profile of each province, is applied to this uninsured population to estimate the weighted population. Each province's share of this weighted population is used to estimate their share of the risk-adjusted sub-component. Table W1.14 shows the change in this sub-component between 2012 and 2013. In total, the risk-adjusted component is weighted at 75 per cent of the health component.

The output sub-component, which is updated with 2010/11 and 2011/12 data obtained from the District Health Information Services, is shown in Table W1.15 below.

**Table W1.15 Output sub-component shares**

	Primary health care visits				Hospital workload patient-day equivalents			
	2010/11	2011/12	Average	Share	2010/11	2011/12	Average	Share
Eastern Cape	17 667	18 269	17 968	14.6%	4 666	4 747	4 707	15.0%
Free State	6 596	7 194	6 895	5.6%	1 644	1 751	1 698	5.4%
Gauteng	20 011	22 318	21 164	17.1%	6 007	6 572	6 289	20.1%
KwaZulu-Natal	26 191	29 197	27 694	22.4%	7 886	8 167	8 026	25.6%
Limpopo	13 941	14 696	14 319	11.6%	2 710	2 869	2 789	8.9%
Mpumalanga	8 031	8 769	8 400	6.8%	1 726	1 715	1 720	5.5%
Northern Cape	3 473	3 340	3 407	2.8%	532	520	526	1.7%
North West	8 043	7 889	7 966	6.5%	1 545	1 563	1 554	5.0%
Western Cape	15 671	15 537	15 604	12.6%	3 980	4 112	4 046	12.9%
<b>Total</b>	<b>119 626</b>	<b>127 209</b>	<b>123 417</b>	<b>100.0%</b>	<b>30 695</b>	<b>32 017</b>	<b>31 356</b>	<b>100.0%</b>

In the 2011 division of revenue, normative costings derived from government's Basic Accounting System and the District Health Information Services were used to weight primary health care visits and patient-day equivalents. The weighted visits were combined to estimate the output component. For the 2013 division of revenue, the output sub-component still uses patient load data from the District Health Information Services. The average number of clinic visits at primary health care clinics in 2010/11 and 2011/12 is calculated. Each province's average is used to estimate their share of this part of the output component, making up 5 per cent of the health component. For hospitals, each province's share of the total patient-day equivalents from public hospitals in 2010/11 and 2011/12 are used to estimate their share of this part of the output sub-component, making up 20 per cent of the health component. In total, the output component is

25 per cent of the health component. This new approach still applies a ratio to weight primary health care visits to patient-day equivalents, but it is simpler and more transparent than the method used in 2011.

Table W1.16 shows the updated health component shares for 2013.

**Table W1.16 Health component weighted shares**

Weight	Risk-adjusted	Primary health care	Hospital component	Weighted shares		Change
	75%	5%	20%	2012	2013	
Eastern Cape	13.0%	14.6%	15.0%	14.2%	13.5%	-0.64%
Free State	5.4%	5.6%	5.4%	5.5%	5.4%	-0.09%
Gauteng	22.7%	17.1%	20.1%	20.5%	21.9%	1.46%
KwaZulu-Natal	20.6%	22.4%	25.6%	23.0%	21.7%	-1.36%
Limpopo	10.6%	11.6%	8.9%	10.7%	10.3%	-0.39%
Mpumalanga	7.6%	6.8%	5.5%	6.8%	7.2%	0.32%
Northern Cape	2.3%	2.8%	1.7%	2.2%	2.2%	0.04%
North West	7.2%	6.5%	5.0%	6.5%	6.7%	0.23%
Western Cape	10.5%	12.6%	12.9%	10.6%	11.1%	0.43%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

*Basic component (16 per cent)*

The basic component is derived from the proportion of each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2013 MTEF, population data is drawn from the 2011 Census. Table W1.17 shows the impact on the basic component's revised weighted shares.

**Table W1.17 Impact of the changes in population on the basic component shares**

	Mid-year population estimates	Population Census	Population change	% population change	Basic component shares		Change
	2011	2011			2012 MTEF	2013 MTEF	
Eastern Cape	6 829 958	6 562 053	-267 905	-3.9%	13.5%	12.7%	-0.83%
Free State	2 759 644	2 745 590	-14 054	-0.5%	5.5%	5.3%	-0.15%
Gauteng	11 328 203	12 272 263	944 060	8.3%	22.4%	23.7%	1.31%
KwaZulu-Natal	10 819 130	10 267 300	-551 830	-5.1%	21.4%	19.8%	-1.55%
Limpopo	5 554 657	5 404 868	-149 789	-2.7%	11.0%	10.4%	-0.54%
Mpumalanga	3 657 181	4 039 939	382 758	10.5%	7.2%	7.8%	0.57%
Northern Cape	1 096 731	1 145 861	49 130	4.5%	2.2%	2.2%	0.05%
North West	3 253 390	3 509 953	256 563	7.9%	6.4%	6.8%	0.35%
Western Cape	5 287 863	5 822 734	534 871	10.1%	10.5%	11.2%	0.79%
<b>Total</b>	<b>50 586 757</b>	<b>51 770 561</b>	<b>1 183 804</b>	<b>2.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

*Institutional component (5 per cent)*

The institutional component recognises that some costs associated with running a provincial government and providing services are not directly related to the size of a province's population or the other factors included in other components. It is therefore distributed equally between provinces. It constitutes 5 per cent of the total equitable share, of which each province receives 11.1 per cent. This component benefits provinces with smaller populations, especially the Northern Cape and the North West, as the allocation per person for these provinces is much higher in this component.

### Poverty component (3 per cent)

The poverty component introduces a redistributive element to the formula and is assigned a weight of 3 per cent. The poor population includes people who fall in the first two quintiles of household incomes in the 2010 Income and Expenditure Survey. The estimated size of the poor population in each province is calculated by multiplying the proportion in that province from the survey by the population figure from the 2011 Census. Table W1.18 shows the poverty quintiles of the Income and Expenditure Survey, the 2011 Census data and the weighted share of the poverty component per province.

**Table W1.18 Comparison of current and new poverty component weighted shares**

	Income and Expenditure Survey 2010/11	Current (2012 MTEF)			New (2013 MTEF)			Difference in weighted shares
		Basic component value	Poor population	Weighted shares	Basic component value	Poor population	Weighted shares	
Eastern Cape	52.0%	6 830	3 404	16.7%	6 562	3 414	16.3%	-0.43%
Free State	41.4%	2 760	1 151	5.7%	2 746	1 137	5.4%	-0.23%
Gauteng	28.9%	11 328	3 186	15.7%	12 272	3 543	16.9%	1.26%
KwaZulu-Natal	45.3%	10 819	4 671	23.0%	10 267	4 652	22.2%	-0.75%
Limpopo	52.9%	5 555	2 936	14.4%	5 405	2 857	13.6%	-0.79%
Mpumalanga	47.3%	3 657	1 744	8.6%	4 040	1 909	9.1%	0.54%
Northern Cape	40.8%	1 097	493	2.4%	1 146	467	2.2%	-0.19%
North West	47.9%	3 253	1 527	7.5%	3 510	1 681	8.0%	0.52%
Western Cape	21.9%	5 288	1 221	6.0%	5 823	1 273	6.1%	0.08%
<b>Total</b>		<b>50 587</b>	<b>20 332</b>	<b>100.0%</b>	<b>51 771</b>	<b>20 933</b>	<b>100.0%</b>	<b>-</b>

### Economic activity component (1 per cent)

The economic activity component is a proxy for provincial tax capacity and expenditure assignments. Given that these assignments are a relatively small proportion of provincial budgets, the component is assigned a weight of 1 per cent. For the 2013 MTEF, 2010 GDP-R data is used. Table W1.19 shows the impact of the revised weighted shares of the economic activity component. The right-hand column shows changes as a result of the relative growth of provincial contributions to GDP.

**Table W1.19 Current and new economic activity component weighted shares**

	Current (2012 MTEF)		New (2013 MTEF)		Difference in weighted shares
	GDP-R, 2009 (R million)	Weighted shares	GDP-R, 2010 (R million)	Weighted shares	
Eastern Cape	182 147	7.6%	203 993	7.7%	0.06%
Free State	130 973	5.5%	145 405	5.5%	-0.00%
Gauteng	811 907	33.9%	897 553	33.7%	-0.16%
KwaZulu-Natal	384 937	16.1%	420 647	15.8%	-0.26%
Limpopo	168 506	7.0%	191 934	7.2%	0.18%
Mpumalanga	169 973	7.1%	187 367	7.0%	-0.05%
Northern Cape	54 917	2.3%	61 175	2.3%	0.01%
North West	156 374	6.5%	177 075	6.7%	0.13%
Western Cape	336 234	14.0%	376 284	14.1%	0.11%
<b>Total</b>	<b>2 395 967</b>	<b>100.0%</b>	<b>2 661 433</b>	<b>100.0%</b>	<b>-</b>

### Phasing of conditional grant into the provincial equitable share

The *devolution of property rate funds grant* will be phased into the provincial equitable share over the 2013 MTEF. The grant enables provinces to take over the responsibility of paying rates and municipal

charges on properties that were administered by national government on their behalf. Progress has been made in ensuring that all provinces have records of their properties and liabilities for municipal rates. Over the 2013 MTEF period, provinces will continue to receive the same amounts they would have received from the grant, but these will be transferred as part of the equitable share and not as a separate conditional grant. From 2016/17, these funds will be allocated through the provincial equitable share formula.

### Conditional grants to provinces

There are four types of provincial conditional grants. Schedule 4A sets out general grants that supplement various programmes partly funded by provinces, such as infrastructure and central hospitals. Transfer and spending accountability arrangements differ, as more than one national or provincial department may be responsible for different outputs. Schedule 5A grants fund-specific responsibilities for both the transferring and receiving of provincial accounting officers. A schedule 6A grant provides allocations-in-kind through which a national department implements projects in provinces. A schedule 7A grant provides for the swift allocation and transfer of funds to a province to help it deal with a disaster.

#### *Changes to conditional grants*

Given the challenging economic environment and fiscal constraints, government decided to find savings from existing baselines to fund key priorities. As a result, the baselines of some conditional grants have been revised downward. Table W1.20 shows the savings made on provincial conditional grants to make resources available for government priorities.

**Table W1.20 Savings effected on provincial conditional grants**

R million	2013/14	2014/15	2015/16	MTEF total
<b>Basic Education</b>	<b>-113</b>	<b>-324</b>	<b>-639</b>	<b>-1 075</b>
Education infrastructure	-100	-300	-600	-1 000
HIV and Aids (life skills education)	-7	-12	-17	-35
National school nutrition programme	-6	-12	-22	-40
<b>Cooperative Governance and Traditional Affairs</b>	<b>-2</b>	<b>-4</b>	<b>-6</b>	<b>-12</b>
Provincial disaster	-2	-4	-6	-12
<b>Health</b>	<b>-135</b>	<b>-184</b>	<b>-237</b>	<b>-556</b>
Health facility revitalisation	-125	-174	-232	-531
National health insurance	-11	-10	-5	-26
<b>Public Works</b>	<b>-6</b>	<b>-12</b>	<b>-19</b>	<b>-37</b>
Expanded public works programme integrated grant for provinces	-6	-12	-19	-37
<b>Transport</b>	<b>-13</b>	<b>-14</b>	<b>-14</b>	<b>-41</b>
Provincial roads maintenance	-13	-14	-14	-41
<b>Total</b>	<b>-268</b>	<b>-538</b>	<b>-916</b>	<b>-1 722</b>

Table W1.21 shows the revisions to provincial conditional grants, which provide for technical, policy and inflation adjustments. After accounting for the savings shown in Table W1.20 and shifts from provincial conditional grants, net revisions to conditional grant baseline allocations (a reduction of R8.6 million in 2013/14 and increases of R1.5 billion in 2014/15 and R6.6 billion in 2015/16, or a net increase of R8.2 billion over the MTEF) bring the new conditional grant baselines to R76.6 billion in 2013/14, R81.8 billion in 2014/15 and R90.7 billion in 2015/16.

**Table W1.21 Revisions to conditional grant baseline allocations, 2013/14 – 2015/16**

R million	2013/14	2014/15	2015/16	2013 MTEF
<b>Technical revisions</b>	<b>-5 583</b>	<b>-7 396</b>	<b>-7 635</b>	<b>-20 614</b>
<b>Basic Education</b>	<b>533</b>	<b>–</b>	<b>–</b>	<b>533</b>
Education infrastructure <sup>1</sup>	533	–	–	533
<b>Health</b>	<b>-1 098</b>	<b>-2 100</b>	<b>-2 120</b>	<b>-5 318</b>
Health infrastructure	-1 296	-1 219	-1 326	-3 841
Hospital revitalisation	-3 752	-3 424	-3 564	-10 740
Nursing colleges and schools	-76	-95	-98	-269
<i>Rescheduled to:</i>				
Health facility revitalisation	5 124	4 739	4 988	14 850
Health infrastructure <sup>2</sup>	-401	-563	-563	-1 527
Hospital revitalisation <sup>2</sup>	-332	-1 012	-1 002	-2 346
National health insurance <sup>2</sup>	-291	-420	-444	-1 155
Nursing colleges and schools <sup>2</sup>	-74	-105	-111	-290
<b>Higher Education and Training</b>	<b>-2 966</b>	<b>-3 128</b>	<b>-3 248</b>	<b>-9 342</b>
Further education and training colleges <sup>3</sup>	-2 966	-3 128	-3 248	-9 342
<b>Public Works</b>	<b>-2 052</b>	<b>-2 168</b>	<b>-2 267</b>	<b>-6 487</b>
Devolution of property rate funds <sup>4</sup>	-2 052	-2 168	-2 267	-6 487
<b>Additions to baseline<sup>5</sup></b>	<b>260</b>	<b>2 083</b>	<b>7 558</b>	<b>9 901</b>
<b>Arts and Culture</b>	<b>–</b>	<b>385</b>	<b>680</b>	<b>1 064</b>
Community library services	–	385	680	1 064
<b>Basic Education</b>	<b>–</b>	<b>1 191</b>	<b>4 101</b>	<b>5 292</b>
Education infrastructure	–	1 191	4 101	5 292
<b>Health</b>	<b>–</b>	<b>100</b>	<b>1 184</b>	<b>1 284</b>
Comprehensive HIV and Aids	–	100	1 184	1 284
<b>Higher Education and Training</b>	<b>91</b>	<b>110</b>	<b>130</b>	<b>331</b>
Further education and training colleges	91	110	130	331
<b>Human Settlements</b>	<b>–</b>	<b>110</b>	<b>1 040</b>	<b>1 150</b>
Human settlements development	–	110	1 040	1 150
<b>Transport</b>	<b>169</b>	<b>187</b>	<b>424</b>	<b>780</b>
Provincial roads maintenance	169	187	424	780
<b>Total additions to baseline</b>	<b>260</b>	<b>2 083</b>	<b>7 558</b>	<b>9 901</b>
Less: Savings effected on conditional grants	-268	-538	-916	-1 722
<b>Net additions to baselines</b>	<b>-9</b>	<b>1 545</b>	<b>6 642</b>	<b>8 178</b>

1. Conversion from school backlogs grant

2. Rescheduled to national health grant (indirect grant)

3. Subsidy portion transferred to national department

4. Rescheduled to provincial equitable share

5. Additions come from reprioritisation and policy reserve

Table W1.22 provides a summary of conditional grants by sector for the 2013 MTEF. More detailed information, including the framework and allocation criteria for each grant, is provided in Annexure W2 of the 2013 Division of Revenue Bill. The frameworks provide the conditions for each grant, the outputs expected, the allocation criteria used for dividing each grant between provinces, a summary of the grant's audited outcomes for 2011/12 and any other material issues to be addressed.

**Table W1.22 Conditional grants to provinces, 2012/13 – 2015/16**

R million	2012/13	2013/14	2014/15	2015/16	MTEF total
<b>Agriculture, Forestry and Fisheries</b>	<b>1 925</b>	<b>2 147</b>	<b>2 194</b>	<b>2 294</b>	<b>6 635</b>
Comprehensive agricultural support programme	1 393	1 600	1 665	1 742	5 007
Ilima/Letsema projects	416	438	461	482	1 381
Land care programme: poverty relief and infrastructure development	116	109	68	71	248
<b>Arts and Culture</b>	<b>565</b>	<b>598</b>	<b>1 016</b>	<b>1 341</b>	<b>2 955</b>
Community library services	565	598	1 016	1 341	2 955
<b>Basic Education</b>	<b>10 990</b>	<b>12 343</b>	<b>13 188</b>	<b>16 350</b>	<b>41 882</b>
Dinaledi schools	100	105	111	116	333
Education infrastructure	5 587	6 631	7 161	10 059	23 851
HIV and Aids (life skills education)	203	214	221	226	661
National school nutrition programme	4 906	5 173	5 462	5 704	16 339
Technical secondary schools recapitalisation	194	221	233	244	699
<b>Cooperative Governance and Traditional Affairs</b>	<b>180</b>	<b>188</b>	<b>197</b>	<b>204</b>	<b>590</b>
Provincial disaster	180	188	197	204	590
<b>Health</b>	<b>26 073</b>	<b>27 517</b>	<b>29 610</b>	<b>32 083</b>	<b>89 210</b>
Africa Cup of Nations 2013: medical services	15	–	–	–	–
Comprehensive HIV and Aids	8 763	10 534	12 311	13 957	36 802
Health facility revitalisation	6 191	5 124	4 739	4 988	14 850
Health professions training and development	2 076	2 190	2 322	2 429	6 941
National tertiary services	8 878	9 620	10 168	10 636	30 425
National health insurance	150	49	70	74	192
<b>Higher Education and Training</b>	<b>4 845</b>	<b>2 443</b>	<b>2 600</b>	<b>2 759</b>	<b>7 802</b>
Further education and training colleges	4 845	2 443	2 600	2 759	7 802
<b>Human Settlements</b>	<b>15 726</b>	<b>16 984</b>	<b>17 918</b>	<b>19 667</b>	<b>54 569</b>
Human settlements development	15 726	16 984	17 918	19 667	54 569
<b>Public Works</b>	<b>2 429</b>	<b>613</b>	<b>644</b>	<b>667</b>	<b>1 925</b>
Devolution of property rate funds	1 919	–	–	–	–
Expanded public works programme integrated grant for provinces	293	356	371	382	1 108
Social sector expanded public works programme incentive for provinces	217	258	273	286	816
<b>Sport and Recreation South Africa</b>	<b>470</b>	<b>498</b>	<b>526</b>	<b>550</b>	<b>1 573</b>
Mass participation and sport development	470	498	526	550	1 573
<b>Transport</b>	<b>12 299</b>	<b>13 249</b>	<b>13 909</b>	<b>14 777</b>	<b>41 934</b>
Provincial roads maintenance	7 982	8 696	9 126	9 774	27 596
Public transport operations	4 317	4 553	4 783	5 003	14 338
<b>Total</b>	<b>75 500</b>	<b>76 580</b>	<b>81 803</b>	<b>90 692</b>	<b>249 075</b>
<b>Indirect transfers</b>	<b>1 277</b>	<b>3 060</b>	<b>5 269</b>	<b>5 032</b>	<b>13 361</b>
<b>Basic Education</b>	<b>1 277</b>	<b>1 956</b>	<b>3 170</b>	<b>2 912</b>	<b>8 038</b>
School infrastructure backlogs	1 277	1 956	3 170	2 912	8 038
<b>Health</b>	<b>–</b>	<b>1 104</b>	<b>2 100</b>	<b>2 120</b>	<b>5 324</b>
2014 African Nations Championship health and medical services	–	6	–	–	6
National health	–	1 098	2 100	2 120	5 318

### ***Agriculture grants***

The *comprehensive agricultural support programme* aims to support newly established and emerging farmers. This grant includes the extension recovery programme, which focuses on improving extension services through training programmes and providing equipment for extension officers. The grant also aims to expand farm infrastructure and provide support for dipping, fencing and rehabilitation of viable irrigation schemes. The 2012 Budget allocated a total of R995 million to this conditional grant over the MTEF to repair flood damage to agricultural infrastructure in January and February 2011. The remaining allocations of R299 million and R298 million are already within the baselines for 2013/14 and 2014/15 and provinces are expected to continue allocating the funds towards these disaster recovery projects. The grant amounts to R5 billion over the 2013 MTEF.

The *land care programme grant: poverty relief and infrastructure development* aims to improve productivity and sustainable use of natural resources. Provinces are encouraged to use this grant to create jobs through the expanded public works programme. Over the medium term, R248 million is allocated to this grant.

The *Ilima/Letsema projects grant* is intended to boost food production by assisting previously disadvantaged farming communities. After the Department of Agriculture, Forestry and Fisheries has tested the new approach, it will make this grant subject to the standard operating procedure for farmer support. This grant is allocated R1.4 billion over the MTEF.

### ***Arts and culture grant***

The *community library services grant*, administered by the Department of Arts and Culture, aims to help South Africans access knowledge and information, so that their socioeconomic situation can be improved. The grant is allocated to the relevant provincial department and either administered by that department or through a service-level agreement with municipalities. This grant will receive additions of R385 million in 2014/15 and R680 million in 2015/16 to enhance capacity in the sector, address issues arising from the function shift and provide for dual-purpose libraries where needed. The total grant amounts to R3 billion over the next three years.

### ***Basic education grants***

The *education infrastructure grant* is used by provinces for maintenance, refurbishment and the construction of new education infrastructure and schools. This grant will receive additions of R1.2 billion in 2014/15 and R4.1 billion in 2015/16 to improve the delivery of school infrastructure in provinces. This brings the grant total to R23.9 billion over the MTEF, which includes R159 million previously allocated for 2013/14 to repair school infrastructure damaged by floods in 2011. The infrastructure conditional grants are being reformed and incentives will be introduced to promote improved performance. This grant, together with the *health facility revitalisation grant*, will be the first grants to form part of this new approach. These reforms are discussed in more detail in part 6 of this annexure.

The *national school nutrition programme* seeks to improve the nutrition of poor school children, enhance active learning capacity and improve attendance in schools. This grant is allocated R16.3 billion over the MTEF.

The *technical secondary schools recapitalisation grant* provides for equipment and facilities in technical high schools. Provision is made for this grant to extend to 2015/16 in response to the growing need to recapitalise technical schools identified in provincial needs assessments. This grant is allocated R699 million over the MTEF.

The *Dinaledi schools grant*, started in 2011/12, supports Dinaledi schools to improve the quality of learner performance in mathematics, physical science, life sciences and first additional language English, in line with the Action Plan to 2014. Dinaledi schools are schools in disadvantaged communities that perform well in mathematics and physical science. The grant is allocated R333 million over the MTEF.

The *HIV and Aids (life skills) programme grant* provides for life skills training, sexuality and HIV and Aids education in primary and secondary schools. It is fully integrated into the school system, with learner and teacher support material provided for Grade 1 to 9. This grant is allocated R661 million over the MTEF.

The *schools infrastructure backlogs grant* is an indirect grant to provinces introduced in 2011 as a short-term, high-impact grant to address backlogs in inappropriate structures and access to basic services. The grant's funds have been rescheduled to align the baseline with capacity to spend. An amount of R2.5 billion is shifted from 2013/14 to 2015/16. A reprioritisation of R1.7 billion over the MTEF is also effected to make resources available for the construction of new universities in Mpumalanga and the Northern Cape as part of the SIPs identified by the Presidential Infrastructure Coordinating Committee; the *community library services grant*, which provides a complementary service to education; and the *education infrastructure grant*. The grant now amounts to R8 billion over the 2013 MTEF.

### **Cooperative governance grant**

The *provincial disaster grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to provincial government at the start of the financial year. The grant allows for an immediate (in-year) release of funds to be disbursed by the National Disaster Management Centre after a disaster is declared, without the need for the transfers to first be gazetted. Over the MTEF, R590 million is available for disbursement through this grant.

### **Health grants**

The *national tertiary services grant* provides strategic funding to enable provinces to plan, modernise and transform tertiary hospital service delivery in line with national policy objectives. The grant operates in 26 hospitals across the nine provinces, concentrated in urban Gauteng and the Western Cape. These provinces receive the largest shares of the grant as they provide the largest proportion of these high-level, sophisticated services for the benefit of the health sector countrywide. This grant is allocated R30.4 billion over the MTEF.

The *health facility revitalisation grant* funds the construction and maintenance of health infrastructure. This grant has been created through the merger of three previous grants: the *health infrastructure grant*, the *hospital revitalisation grant* and the *nursing colleges and schools grant*, which are now three components within the merged grant. The combination gives greater flexibility to the Department of Health to shift funds between the three grant components, with the approval of the National Treasury, so that they can avoid under- or overspending in any one area of health infrastructure. This grant is supported by the *national health grant*. The three components of the grant are:

- Health infrastructure – Funds general maintenance and infrastructure needs at smaller hospitals and clinics. The National Treasury and the Department of Health have joint capacity-building programmes funded through this grant to support provinces' best-practice planning and project implementation. The grant will be part of the first phase of infrastructure reforms (discussed in part 6 of this annexure), which will introduce incentives in the funding and delivery of infrastructure to improve planning and procurement practices in line with the infrastructure delivery management system and best practices by the Construction Industry Development Board. This component is allocated R3.8 billion over the MTEF.
- Hospital revitalisation – Supports large projects that modernise hospital infrastructure and equipment. It is allocated R10.7 billion over the MTEF.
- Nursing colleges and schools – Funds the refurbishment and upgrading of nursing colleges and schools. The Department of Health will play a more active role in the planning, packaging and procurement of projects funded through this window than it does in other infrastructure grants. It is allocated R269 million over the next three years.

The *health professions training and development grant* funds the training of health professionals, and the development and recruitment of medical specialists. It enables the shifting of teaching activities from central to regional and district hospitals. It is allocated R6.9 billion over the medium term.

The *comprehensive HIV and Aids grant* enables the health sector to develop a response to HIV and Aids. The grant supports prevention programmes and specific interventions, including voluntary counselling and testing, prevention of mother-to-child transmission, post-exposure prophylaxis, antiretroviral treatment and home-based care. In addition to substantial increases to this grant and the provincial equitable share over the previous three MTEF periods for HIV and Aids programmes, the grant is allocated an additional R100 million in 2014/15 and R1.2 billion in 2015/16 to cover the increased antiretroviral treatment take-up rate and the impact of the withdrawal of the Presidential Emergency Plan for Aids Relief donor funding used for HIV and Aids prevention, care and treatment programmes within this grant. This brings the baseline over the MTEF to R36.8 billion.

The *national health insurance grant* funds national health insurance pilots introduced in 2012/13. These projects aim to strengthen primary health care for the implementation of national health insurance. Ten districts have been selected as pilot sites to test interventions that aim to strengthen health systems and improve performance. Over the 2013 MTEF, the grant has been allocated R192 million. This grant is complemented by the national health insurance window within the *national health grant*.

The *national health grant* is a new indirect grant introduced in 2013/14 that will be spent by the Department of Health on behalf of provinces. The grant has two components, one to support infrastructure projects and the second to support the national health insurance scheme pilot sites. The infrastructure component will be used to accelerate construction, maintenance, upgrading and rehabilitation of new and existing health infrastructure and to supplement expenditure on infrastructure delivered through public-private partnerships. The second component will be used to contract general practitioners from the private sector for national health insurance sites. It will also support 10 central hospitals to strengthen their patient information systems and develop and pilot alternative hospital reimbursement tools. The grant is allocated R5.3 billion over the MTEF.

The *2014 African Nations Championship health and medical services grant* will be introduced as an indirect grant for 2013/14 only, to support provinces hosting the 2014 African Nations Championship. This grant will be spent by the Department of Health in support of provinces providing medical services for the tournament. The grant has a value of R6 million in 2013/14.

### ***Higher education and training grant***

The *further education and training colleges grant* was introduced in 2010/11 to protect provincial spending on these colleges while the legislative processes required to shift this function to national government are completed. From 2013/14, a portion of the grant will be transferred directly to colleges as a subsidy, which will now flow from the Department of Higher Education and Training. The grant baselines over the MTEF have also been revised to accommodate this decision. In addition, an amount of R138 million in 2013/14, R178 million in 2014/15 and R243 million in 2015/16 is added to the grant to cover the cost of wage agreements, bringing the total value of this grant to R7.8 billion.

### ***Human settlements grant***

The *human settlements development grant* seeks to establish habitable, stable and sustainable human settlements in which all citizens have access to social and economic amenities. The human settlements function will be assigned to six metropolitan municipalities, with the assignment target date being the start of the municipal financial year (1 July 2013). From the date of assignment, funds for the *human settlement development grant* for these municipalities will be transferred directly to them. As the function has not yet been assigned, the funds for these cities are still reflected in the allocations to provinces. However, provisions in the 2013 Division of Revenue Bill will allow these funds to be transferred directly to cities once assignment takes place. Additional funding of R110 million in 2014/15 and R1 billion in 2015/16 is allocated to upgrade informal settlements in rapidly urbanising mining towns, in support of the SIPs. An

amount of R299 million is included in the existing baseline, added in the previous MTEF for the repair of infrastructure damaged by floods. The grant amounts to R54.6 billion over the MTEF.

The formula used to allocate the *human settlements development grant* will be reviewed during 2013, resulting in new allocations. To provide scope for this change, while still providing some degree of planning certainty over the MTEF, only half of the funds for 2014/15 and 2015/16 have been indicatively allocated among provinces in the schedules of the Division of Revenue Bill. The remaining funds will be allocated once the revised formula is in place.

#### ***Public works grants***

The *expanded public works programme integrated grant for provinces* was revised last year to be a schedule 5A grant. Allocations are now made available upfront based on meeting job targets in the preceding financial year rather than the in-year performance measures used previously. Transfers depend on provincial departments reporting on jobs created through the expanded public works programme and implementing labour-intensive projects. This grant is allocated R1.1 billion over the MTEF.

The *social sector expanded public works programme incentive grant for provinces* rewards provinces for creating jobs in the preceding financial year in the areas of home-based care and early childhood development, adult literacy and numeracy, community safety and security, and sports programme services. This grant is allocated R816 million over the MTEF.

#### ***Sport and recreation South Africa grant***

The *mass participation and sport development grant* aims to increase and sustain mass participation in sport and recreational activities in provinces. This grant is allocated R1.6 billion over the MTEF.

#### ***Transport grants***

The *public transport operations grant* subsidises commuter bus services. It allows national government to ensure that contractual obligations are met and services are efficiently provided. The public transport contracting and regulatory functions may be assigned to certain metropolitan municipalities during 2013/14. If this takes place, funds for this grant will be transferred directly to the assigned municipality. The grant is allocated R14.3 billion over the MTEF.

The *provincial roads maintenance grant* consists of three components. The largest component enables provinces to expand their maintenance activities. The other components allow provinces to repair roads damaged by floods and cover the cost of rehabilitation work created by coal haulage activities in Mpumalanga and Gauteng. Allocations for this grant are determined through a new formula based on provincial road networks, road traffic and weather conditions. These factors reflect the different costs of maintaining road networks in each province. Allocations will also depend on satisfactory use of the road asset management systems from 2013/14. The grant requires provinces to follow best practices for planning and to use and regularly update road asset management systems. From 2015/16, the grant will be based on performance. During 2013/14, the Department of Transport will finalise the indicators – probably vehicle operating costs and remaining asset lifespan – and the performance component to inform grant allocations. Additional allocations of R169 million in 2013/14, R187 million in 2014/15 and R424 million in 2015/16 are added to the grant for road maintenance, bringing the total allocation to R27.6 billion over the MTEF. This includes amounts of R368 million and R367 million in the first two years of the 2013 MTEF allocated in the 2012 Budget for the repair of infrastructure damaged by floods in January and February 2011. Amounts of R809 million in 2013/14, R803 million in 2014/15 and R840 million in 2015/16 are allocated to repair roads damaged by coal haulage.

In addition to these grants, R450 million was allocated in the 2012 Adjustment Appropriation Act to provide for the upgrading of the Mthatha airport. The Department of Transport paid for the upgrade, but as the airport is an asset of the Eastern Cape provincial government, the province will benefit from this expenditure once the work is completed in 2013/14.

## ■ Part 5: Local government fiscal framework and allocations

The local government fiscal framework responds to the constitutional assignment of powers and functions to this sphere of government. The framework refers to all resources available to municipalities to meet their expenditure responsibilities. National transfers account for a relatively small proportion of the local government fiscal framework, with the majority of local government revenues being raised by municipalities themselves through their substantial revenue-raising powers, including property rates and service charges. However, the proportion of revenue coming from transfers and own revenues varies dramatically across municipalities, with poor rural municipalities receiving most of their revenue from transfers, while urban municipalities raise the majority of their own revenues. This differentiation in the way municipalities are funded will continue in the period ahead.

In the 2013 MTEF, a number of significant changes are being introduced to the way funds are allocated among municipalities. The two largest transfers to municipalities, the equitable share and the *municipal infrastructure grant*, are allocated among municipalities based on census data. The release of the 2011 Census results means that the formulas used for both these allocations have been updated. In addition, the formula used to allocate the local government equitable share has been reviewed and redesigned. Four new conditional grants are also being introduced to:

- Increase access to clean water
- Help cities develop more integrated and efficient patterns of urban development
- Subsidise the operating costs of cities running new public transport networks
- Support the host cities of the 2014 African Nations Championship (this is a once-off grant).

It is also likely that human settlements and public transport functions will be assigned to selected metropolitan municipalities during 2013/14. This will result in the funds for these functions – currently allocated to provinces and described in part 4 of this annexure – being transferred directly to municipalities.

This section outlines the transfers made to local government and how these funds are distributed between municipalities. Funds raised by national government are transferred to municipalities through conditional and unconditional grants. National transfers to municipalities are published to enable them to plan fully for their 2013/14 budgets, and to promote better accountability and transparency by ensuring that all national allocations are included in municipal budgets.

### **Changes to local government allocations**

Given the constrained and uncertain economic outlook, government will use savings from existing baselines to fund government priorities. As a result, the baselines of most conditional grants have been revised downward. Table W1.23 shows the savings made on local government conditional grants to make resources available. No savings were made on the local government equitable share.

**Table W1.23 Savings effected on direct and indirect transfers to local government,  
2013/14 – 2015/16**

	2013/14	2014/15	2015/16	2013 MTEF Total revisions
<b>R million</b>				
<b>Direct conditional grants</b>	<b>-36</b>	<b>-292</b>	<b>-414</b>	<b>-742</b>
<b>Infrastructure transfers</b>	<b>-</b>	<b>-211</b>	<b>-349</b>	<b>-560</b>
Urban settlements development grant	-	-211	-331	-542
Neighbourhood development partnership grant	-	-	-18	-18
<b>Recurrent transfers</b>	<b>-36</b>	<b>-81</b>	<b>-64</b>	<b>-182</b>
Energy efficiency and demand-side management grant	-19	-45	-7	-71
Municipal disaster grant	-4	-7	-12	-23
Municipal systems improvement grant	-2	-5	-8	-16
Expanded public works programme integrated grant for municipalities	-11	-24	-37	-72
<b>Indirect conditional grants</b>	<b>-489</b>	<b>-221</b>	<b>-229</b>	<b>-939</b>
Integrated national electrification programme	-33	-36	-38	-106
Rural households infrastructure grant	-282	-	-	-282
Water services operating subsidy	-174	-186	-192	-551
<b>Total</b>	<b>-525</b>	<b>-513</b>	<b>-643</b>	<b>-1 681</b>

Table W1.24 outlines all of the technical revisions and additions to local government allocations for the 2013 MTEF.

**Table W1.24 Revisions to direct and indirect transfers to local government,  
2013/14 – 2015/16**

	2013/14	2014/15	2015/16	2013 MTEF Total revisions
<b>R million</b>				
<b>Technical adjustments</b>	<b>-82</b>	<b>-289</b>	<b>37</b>	<b>-334</b>
<b>Direct transfers</b>	<b>25</b>	<b>-289</b>	<b>37</b>	<b>-227</b>
Municipal infrastructure grant	-291	-1 259	-1 273	-2 823
Municipal water infrastructure grant	291	946	1 273	2 510
Public transport infrastructure grant	-881	-745	-862	-2 488
Public transport network operations grant	881	745	862	2 488
Infrastructure skills development grant	-2	-2	-2	-5
Expanded public works programme integrated grant for municipalities	-80	-88	-80	-248
Rural households infrastructure grant	107	113	118	338
<b>Indirect transfers</b>	<b>-107</b>	<b>-</b>	<b>-</b>	<b>-107</b>
Rural households infrastructure grant	-107	-	-	-107
<b>Additions to baselines</b>	<b>1 278</b>	<b>3 010</b>	<b>9 859</b>	<b>14 147</b>
<b>Direct transfers</b>	<b>805</b>	<b>1 454</b>	<b>6 966</b>	<b>9 225</b>
Equitable share	-	851	4 561	5 413
Municipal water infrastructure grant	312	113	1 399	1 824
Municipal infrastructure grant	-	179	231	410
Integrated national electrification programme	320	77	500	897
Infrastructure skills development grant	-	50	70	120
Integrated city development grant	40	150	150	340
2014 African Nations Championship host city operating grant	120	-	-	120
Rural roads asset management systems grant	13	34	54	101
<b>Indirect transfers</b>	<b>473</b>	<b>1 556</b>	<b>2 892</b>	<b>4 922</b>
Neighbourhood development partnership grant	-	-	4	4
Integrated national electrification programme	191	425	1 522	2 139
Regional bulk infrastructure grant	282	1 131	1 366	2 779

Due to the cumulative effect of the savings to fund national priorities, technical revisions and additions to baselines, the value of transfers to local government increases by R12.1 billion over the MTEF. Of this, R8.2 billion is added to direct transfers and R3.9 billion will be spent by national departments as indirect transfers.

**Table W1.25 Net changes to direct and indirect transfers to local government,  
2013/14 – 2015/16**

	2013/14	2014/15	2015/16	2013 MTEF total revisions
<b>R million</b>				
<b>Total of revisions to baselines</b>	<b>1 196</b>	<b>2 721</b>	<b>9 896</b>	<b>13 813</b>
Direct transfers	830	1 165	7 003	8 998
Indirect transfers	366	1 556	2 892	4 815
<b>Less</b>				
<b>Total savings to fund government priorities</b>	<b>-525</b>	<b>-513</b>	<b>-643</b>	<b>-1 681</b>
Direct transfers	-36	-292	-414	-742
Indirect transfers	-489	-221	-229	-939
<b>Net additions to baselines</b>	<b>671</b>	<b>2 208</b>	<b>9 253</b>	<b>12 131</b>
Direct transfers	793	873	6 590	8 256
Indirect transfers	-123	1 335	2 663	3 875

## Transfers to local government

Over the 2013 MTEF, R277.7 billion will be transferred directly to local government and a further R21.5 billion has been allocated to indirect grants. Direct transfers to local government in 2013/14 account for 8.9 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government rises to 9.5 per cent of national non-interest expenditure. The value of direct transfers to local government grows at an average annual rate of 9.9 per cent over the MTEF. This is significantly above projected inflation, but lower than the rapid growth in transfers between 2001/02 and 2011/12 – when the value of direct transfers to local government grew from R6.5 billion to R68.3 billion, with an average annual growth rate of 27.2 per cent.

**Table W1.26 Transfers to local government, 2009/10 – 2015/16**

R million	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Outcome			Revised estimate	Medium-term estimates		
<b>Direct transfers</b>	<b>51 537</b>	<b>60 904</b>	<b>68 251</b>	<b>77 028</b>	<b>84 651</b>	<b>91 579</b>	<b>101 469</b>
<b>Equitable share and related</b>	<b>23 845</b>	<b>30 541</b>	<b>33 173</b>	<b>37 373</b>	<b>40 582</b>	<b>44 490</b>	<b>50 208</b>
Equitable share formula <sup>1</sup>	20 281	26 761	29 289	32 981	35 886	39 409	44 900
RSC levy replacement	3 306	3 492	3 544	3 733	3 930	4 146	4 337
Support for councillor remuneration and ward committees	258	288	340	659	766	935	971
<b>General fuel levy sharing with metros</b>	<b>6 800</b>	<b>7 542</b>	<b>8 573</b>	<b>9 040</b>	<b>9 613</b>	<b>10 190</b>	<b>10 659</b>
<b>Conditional grants</b>	<b>20 893</b>	<b>22 822</b>	<b>26 505</b>	<b>30 615</b>	<b>34 456</b>	<b>36 899</b>	<b>40 603</b>
Infrastructure	18 699	20 871	24 643	28 029	31 092	33 548	36 971
Capacity building and other	2 194	1 951	1 862	2 586	3 364	3 351	3 632
<b>Indirect transfers</b>	<b>3 081</b>	<b>2 939</b>	<b>2 770</b>	<b>4 956</b>	<b>5 538</b>	<b>7 171</b>	<b>8 768</b>
Infrastructure	2 763	2 682	2 553	4 823	5 399	7 029	8 617
Capacity building and other	318	257	217	133	139	142	151
<b>Total</b>	<b>54 618</b>	<b>63 843</b>	<b>71 021</b>	<b>81 984</b>	<b>90 190</b>	<b>98 751</b>	<b>110 237</b>

1. Outcome figures for the equitable share reflect amounts transferred after funds have been withheld to offset underspending by municipalities on conditional grants

## The local government equitable share

In terms of section 227 of the Constitution, local government is entitled to an equitable share of nationally raised revenue to enable it to provide basic services and perform its allocated functions. The local government equitable share is an unconditional transfer that supplements the income that municipalities can raise from the sources of own revenues available to them (including property rates and service charges). The equitable share provides funding for municipalities to deliver free basic services to poor households and subsidises the cost of administration and other core services for those municipalities that have the least potential to cover these costs from their own revenues.

Over the 2013 MTEF, the local government equitable share, including the *RSC/JSB levies replacement grant* and *special support for councillor remuneration and ward committees*, is worth R135.3 billion – R40.6 billion in 2013/14, R44.5 billion in 2014/15 and R50.2 billion in 2015/16.

### Review of the equitable share formula

The share of national revenue allocated to local government through the equitable share is determined in the national budget process and endorsed by Cabinet (the vertical division). Local government's equitable share is divided among the country's 278 municipalities using a formula (the horizontal division).

During 2012, the National Treasury, the Department of Cooperative Governance and SALGA, in partnership with the FFC and Statistics South Africa, reviewed the local government equitable share

formula. The review did not include a review of the *RSC/JSB levies replacement grant* or the *special support for councillor remuneration and ward committees*, both of which are transferred with the equitable share, but calculated separately. The review proposed an improved structure for the formula, but did not make recommendations about the vertical division of revenue (total transfers to local government), as this is a decision made separately as part of the budget process.

The review was conducted in three phases. In the first phase, the formula's principles and objectives were reviewed and proposed revisions were presented to, and broadly welcomed by, municipalities during a series of consultations in May and June 2012. In the second phase, these revised principles and objectives (following the consultations) were used to formulate a proposal for a new structure for the formula. This was presented to municipalities in a discussion paper and at a workshop held in September 2012. The proposed structure was generally accepted by municipalities and was endorsed by the Budget Forum in October 2012. In the third phase, the review team constructed the new formula using data from the 2011 Census results, taking into account comments and proposals from municipalities where possible. The new formula and allocations were endorsed by the Budget Forum on 7 February 2013 and by Cabinet on 13 February 2013.

### ***Principles of the local government equitable share formula***

Following the first round of consultations with municipalities, it was agreed that the following principles should underpin the new local government equitable share formula. These principles were endorsed at a meeting of the Budget Forum on 8 October 2012.

The local government equitable share formula must:

1. *Be objective and fair* – Municipalities with similar characteristics must be treated in the same way by the formula and the formula design must be immune to subjective adjustments to favour a particular municipality.
2. *Be dynamic and able to respond to changes* – The formula must be capable of taking account of significant changes in the objective circumstances of municipalities, enable the smooth updating of data and be able to respond to policy changes.
3. *Recognise diversity among municipalities* – The formula should take account of the different characteristics of municipalities and funds allocated for a particular function must go to the municipality officially authorised to perform that function (the local government equitable share will not fund municipalities for services that are the competency of other spheres).
4. *Only use high-quality, verifiable and credible data* – Official, up-to-date data should be used wherever possible. Data must not be manipulated (this does not preclude the use of credible estimates and projections) and fair average cost estimates for basic services should be used (including maintenance costs).
5. *Be transparent and simple* – The formula and information about how allocations are derived must be transparent and available to municipalities and the general public. The simpler the formula is, the more people will be able to engage with it. Local municipalities must remain accountable to their residents for resources they use, including transfers received.
6. *Provide for predictability and stability* – Municipalities should be provided with a degree of certainty about their future allocations to enable them to plan and budget effectively.

### ***Objectives of the local government equitable share formula***

The following objectives of the new local government equitable share formula were agreed upon following the first round of consultations with municipalities. These objectives were also endorsed at a meeting of the Budget Forum on 8 October 2012:

1. *Enable municipalities to provide basic services to poor households*

The local government equitable share should:

- Supplement municipal budgets so that an efficient municipality will be able to progressively provide free basic services to its poor households in line with national policy norms and standards.
- Assist with the operational costs (including maintenance costs) of basic services for poor households. Capital costs should be funded through conditional grants, own revenues and borrowing.
- Support municipalities to create the foundation for economic growth through the sustainable provision of municipal functions.
- Reflect that maintenance should be budgeted for as part of the operational costs of service delivery.
- Promote the efficient delivery of services and not penalise efficient alternative modes of service delivery.
- Create positive incentives for municipalities that roll out services to reach more households.

2. *Enable municipalities with limited own resources to afford basic administrative and governance capacity and perform core municipal functions*

The local government equitable share should:

- Provide funding to enable resource-poor municipalities to afford a basic level of administrative and governance capacity.
- Provide funding towards the cost of performing essential functions in municipalities with limited own-revenue bases.
- Recognise the ability of certain municipalities to cross-subsidise the delivery of administrative and other essential municipal services from their own revenue.
- Take account of the different levels of fiscal capacity in municipalities, without rewarding inefficiency.
- Ensure that allocations do not crowd out municipal own-revenue-raising efforts and the revenue-accountability link that the collection of these revenues creates.

***Structure of the local government equitable share formula***

The formula uses demographics and other data to determine each municipality's share of the local government equitable share. It has three parts, made up of five components:

- The first part of the formula consists of the *basic services component*, which provides for the cost of free basic services for poor households.
- The second part enables municipalities with limited own resources to afford basic administrative and governance capacity and perform core municipal functions. It does this through three components:
  - The *institutional component* provides a subsidy for basic municipal administrative costs.
  - The *community services component* provides funds towards the provision of core municipal services not included under basic services.
  - The *revenue adjustment factor* ensures that funds from this part of the formula are only provided to municipalities with limited potential to raise own revenues. Municipalities the least able to fund these costs from their own revenues should receive the most funding.
- The third part of the formula provides predictability and stability through a *correction and stabilisation factor*, which ensures that all of the formula's guarantees can be met.

Each of these components is described in detail in the subsections that follow, while the structure of the formula is summarised in the box below.

### Structure of the local government equitable share formula

$$LGES = BS + (I + CS) \times RA \pm C$$

where

**LGES** is the local government equitable share

**BS** is the basic services component

**I** is the institutional component

**CS** is the community services component

**RA** is the revenue adjustment factor

**C** is the correction and stabilisation factor

#### The basic services component

This component helps municipalities provide free basic water, sanitation, electricity and refuse removal services to households that fall below an affordability threshold. During the consultation process it emerged that municipalities would prefer the formula's affordability measure (used to determine how many households should be targeted for free basic services) to be based on the level of two state old age pensions. When the 2011 Census was conducted, the state old age pension was worth R1 140 per month, two old age pensions were therefore worth R2 280 per month. A monthly household income of R2 300 per month has therefore been used to define the formula's affordability threshold. Statistics South Africa has calculated the number of households in each municipality that fall below this income level in the 2011 Census. The basic services component provides a subsidy of R278 per month in 2013/14 for the cost of providing basic services to each of these households. The allocation to each municipality is calculated by multiplying this monthly subsidy by the number of households below the affordability threshold in each municipal area.

The free basic services subsidy includes funding for the provision of free basic water (6 kilolitres per poor household per month), energy (50 kilowatt-hours per month) and sanitation and refuse (based on service levels defined by national policy). The monthly amount provided for each service is detailed in Table W1.27 and includes an allocation of 10 per cent towards the maintenance costs of providing the service.

**Table W1.27 Amounts per basic service allocated through the local government equitable share**

	Allocation per household below affordability threshold (Rands)			Total allocation per service (R millions)
	Operations	Maintenance	Total	
Energy	50.66	5.63	56.29	5 719
Water	77.80	8.64	86.45	8 783
Sanitation	64.84	7.20	72.04	7 319
Refuse	54.35	6.04	60.39	6 136
<b>Total basic services</b>	<b>247.65</b>	<b>27.52</b>	<b>275.17</b>	<b>27 957</b>

The formula uses the fairest estimates of the average costs of providing each service that could be derived from available information. These cost estimates do not account for municipalities' different circumstances as there are no credible ways of estimating the cost pressures in each municipality. By using generous estimates for each of the four services, municipalities should receive sufficient funds to provide the full basket of free basic services to their poor households. More details of how the cost estimates were arrived at can be found in the discussion paper on the proposed structure of the new local government equitable share formula (available at the following address: [http://mfma.treasury.gov.za/Media\\_Releases/LGESDiscussions/Pages/default.aspx](http://mfma.treasury.gov.za/Media_Releases/LGESDiscussions/Pages/default.aspx)).

Unlike the previous formula, which provided a lower subsidy for households without access to services, this formula provides the same basic services subsidy for all poor households. Funding for each basic service is allocated to the municipality (metro, district or local) that is authorised to provide that service. If

another municipality provides a service on behalf of the authorised municipality, it should transfer funds to the provider in terms of section 28 of the Division of Revenue Act.

The previous local government equitable share formula used a household income level of R800 per month in terms of the 2001 Census to define the affordability threshold for funding free basic services. About 47 per cent of all households were below this threshold in 2001. Adjusting for the effects of inflation between 2001 and 2011, an income of R800 per month in 2001 would be worth about R1 500 in 2011. The new affordability threshold of R2 300 per month is substantially higher in real terms. As a result, more households (59 per cent) fall below this threshold in the new formula. This threshold is based on inputs from municipalities and should not be taken as an official poverty line or as a required level to be used by municipalities in their own indigence policies. However, if municipalities choose to provide fewer households with free basic services than they are funded for through the local government equitable share, then their budget documentation should clearly set out why they have made this choice and how it has been consulted on with their community during their budget process.

#### **The basic services component**

$$BS = \text{basic services subsidy} \times \text{number of poor households}$$

The basic services component is worth R28 billion in 2013/14 and accounts for 77.9 per cent of the value of the local government equitable share.

#### *The institutional component*

To provide basic services to households, municipalities need to be able to run a basic administration. Most municipalities should be able to fund the majority of their administration costs through own revenues, but because poor households will not be able to contribute, the equitable share includes an institutional support component to help meet some of these costs. As this component is intended to assist municipalities with limited own-revenue-raising abilities, a revenue adjustment factor is applied to ensure that a larger proportion of the allocation is received by municipalities with less potential to raise own revenue. The revenue adjustment factor is described in more detail later in this annexure.

This component consists of a base allocation of R5 million that goes to every municipality and an additional amount that is based on the number of council seats in each municipality. This reflects the relative size of a municipality's administration and is not intended to fund the costs of councillors only (the number of seats recognised for the formula is determined by the Minister of Cooperative Governance and Traditional Affairs for elections and composition). The base component acknowledges that there are some fixed costs that all municipalities face.

#### **The institutional component**

$$I = \text{base allocation} + [\text{allocation per councillor} \times \text{number of council seats}]$$

The institutional component accounts for 8.8 per cent of the equitable share formula and is worth R3.2 billion in 2013/14. This component is also complemented by the special support for councillor remuneration to poor municipalities provided outside of the equitable share formula (described in more detail later).

#### *The community services component*

This new component funds services for communities rather than households (which are provided for in the basic services component). It includes funding for municipal health services, fire services, municipal roads, cemeteries, planning, storm water, street lighting, parks and so on. As this component is intended to assist municipalities with limited own-revenue-raising abilities, a revenue adjustment factor is applied to ensure

that a larger proportion of the allocation is received by municipalities with less potential to raise own revenue. The revenue adjustment factor is described in more detail later in this annexure.

The allocation for this component is split between district and local municipalities, as both provide community services. In 2013/14, the allocation to district and metropolitan municipalities for municipal health and related services is R7 per household per month. The component's remaining funds are allocated to local and metropolitan municipalities based on the number of households in each municipality.

#### **The community services component**

$$CS = [\text{municipal health and related services allocation} \times \text{number of households}] + [\text{other services allocation} \times \text{number of households}]$$

The community services component accounts for 13.3 per cent of the equitable share formula and is worth R4.8 billion in 2013/14.

#### *The revenue adjustment factor*

The Constitution gives local government substantial own-revenue-raising powers (particularly through property rates and surcharges on services). Municipalities are expected to fund much of their own administrative costs and cross-subsidise some services for indigent residents. Given the different levels of poverty across South Africa, the formula does not expect all municipalities to be able to generate similar amounts of own revenue. A revenue adjustment factor is applied to the institutional and non-trading services components of the formula to ensure that these funds assist municipalities that are least likely to be able to fund these functions from their own revenues.

To account for the varying fiscal capacities of municipalities, this component is based on a per capita index using the following factors from the 2011 Census:

- Total income of all individuals/households residing in a municipality (as a measure of economic activity and earning)
- Reported property values
- Number of households on traditional land
- Unemployment rate
- Proportion of poor households as percentage of total number of households in the municipality.

To create an index from these factors, a regression was run to determine to what extent each of these factors correlated with the ability of municipalities to collect own revenue from property rates in 2009/10 and 2010/11 (recorded in their audited budget figures). Based on this analysis, each factor was given a weighting and an index was calculated based on what these factors predict about the potential for municipalities to collect own revenue in future. Based on this index, municipalities were ranked from highest per capita revenue-raising potential to the lowest. The top 10 per cent of municipalities on this list have a revenue adjustment factor of zero, meaning that they will receive no allocation from the institutional and non-trading services components when the factor is applied to them. The 25 per cent of municipalities with the lowest scores have a revenue adjustment factor of 100 per cent, which means that they will receive their full allocation from the institutional and non-trading services components. Municipalities between the bottom 25 per cent and top 10 per cent have a revenue adjustment factor applied on a sliding scale so that those with higher per capita revenue-raising potential receive a lower revenue adjustment factor and those with less potential receive a larger revenue adjustment factor.

The revenue adjustment factor is not based on the actual revenues municipalities collect. This component therefore does not create any perverse incentive for municipalities to under-collect potential own revenues to receive a higher equitable share.

As district municipalities do not collect own revenues from property rates, the revenue adjustment factor applied to these municipalities is based on the *RSC/JSB levies replacement grant* allocations. This grant

replaces a source of own revenues previously collected by district municipalities. It is still treated as an own-revenue source in many respects. Similar to the revenue adjustment factor for local and metropolitan municipalities, the factor applied to district municipalities is based on their per capita *RSC/JSB levies replacement grant* allocations. The 10 per cent of municipalities with the highest per capita scores receive a revenue adjustment factor of zero, while those with the lowest 10 per cent receive a factor of 100 per cent. District municipalities in between are given revenue adjustment factors on a sliding scale – those with a higher per capita *RSC/JSB levies replacement grant* allocation receive a lower revenue adjustment factor and those with lower allocations receive a larger revenue adjustment factor.

#### ***Correction and stabilisation factor***

Providing municipalities with predictable and stable equitable share allocations is one of the principles of the equitable share formula. To ensure predictability, indicative allocations are published for the second and third years of the MTEF period. To provide stability for municipal planning, while giving national government flexibility to account for overall budget constraints and the need to amend the formula, municipalities are guaranteed to receive at least 90 per cent of the indicative allocation for the middle year of the MTEF.

With the introduction of the new equitable share formula and the updated 2011 Census data used in the formula, some municipalities will experience large changes in their equitable share allocations. To smooth the impact of these changes and give municipalities time to adjust (both for municipalities with increasing and decreasing allocations), the new allocations will be phased in over five years. For municipalities with smaller allocations under the new formula, the phase-in mechanism will measure the difference between the municipality's old and new allocations and will close this gap by 20 per cent each year. This means that in the first year, a municipality will only experience a change equivalent to 20 per cent of the gap between their allocations under the old and the new formulas, in the second year they will experience a 40 per cent change, and so on until in the fifth year their allocation is determined entirely through the new formula.

To provide for this phase-in, while staying within the limits of the equitable share envelope, municipalities with larger allocations will also have their increases phased in over five years. The total top-up amount needed to fund the phase-in for municipalities with declining allocations is calculated and deducted from those that do not require a top-up in proportion to their "surplus." This means that municipalities with larger allocations will have some of those gains delayed over the phase-in period.

#### ***Ensuring the formula balances***

The formula is structured to ensure that all of the available funds are allocated. The formula automatically determines the value of the allocation per council seat in the institutional component and the allocation per household for other services in the community services component to ensure that it balances. The basic services component is determined by the number of poor households per municipality and the estimated cost of free basic services, so this component cannot be manipulated. This means that the balancing of the formula to the available envelope of resources must take place in the second part of the formula, which includes the institutional and community services components.

### Structure of the previous local government equitable share formula

The previous local government equitable share formula is shown below. Like the new formula described above, it has basic services and institutional and correction components. But while the previous formula subtracts a revenue-raising capacity correction from the whole formula, the proposed new formula applies a revenue adjustment factor to the institutional and community services components only. The community services component is a new addition to the formula. The development component in the previous formula has never been activated.

$$\text{Grant} = BS + D + I - R \pm C$$

where

- BS** is the basic services component
- D** is the development component
- I** is the institutional support component
- R** is the revenue-raising capacity correction
- C** is a correction and stabilisation factor

### Updating the formula for future years

One of the major changes introduced in the new formula is that the data underpinning each of the components will be updated annually to reflect changes or estimated changes. The previous formula's demographic information was still based on the 2001 Census and cost of services was based on estimates from the mid-1990s.

In future, the following factors will be updated in the formula:

- The electricity cost estimate is made up of bulk and other costs. Bulk costs will be updated based on the multi-year price determination approved by the National Energy Regulator of South Africa and other costs will be updated based on the National Treasury's inflation projections.
- The water cost estimate is also made up of bulk and other costs. Bulk costs will be updated based on the weighted average increase in bulk tariffs charged by water boards (although not all municipalities purchase bulk water from water boards, their price increases serve as a proxy for the cost increases faced by all municipalities). Other components will be updated based on the National Treasury's inflation projections.
- The cost estimates for other services will be updated based on the National Treasury's inflation projections.
- The base amount for municipal health and related services and the base allocation in the institutional component will also be updated based on the National Treasury's inflation projections.
- The number of households and those falling below the affordability threshold per municipality will be updated each year using average annual household growth in each municipality between the 2001 and 2011 Census. This data will be used to estimate future growth. The estimated total number of households reflected in the formula will be adjusted each year to balance with Statistics South Africa's mid-year population estimate (for the purposes of calculating these estimates, it will be assumed that average household size remains constant in future years). It is assumed that municipalities that experienced negative household growth between 2001 and 2011 will have zero growth in future. The credibility of estimates will be constantly reviewed and this methodology will be updated to reflect any municipal-level population estimates endorsed by Statistics South Africa or any municipal-level survey or census.

For the 2013 MTEF, the indicative allocations for 2014/15 and 2015/16 have been calculated assuming electricity bulk price increases of 16 per cent, water bulk increases of 7.2 per cent, inflation of 5.1 per cent in 2014/15 and 4.9 per cent in 2015/16 and household growth in line with the period between 2001 and 2011. These variables will be updated in future budgets to reflect any changes in the growth in prices or estimates of population growth. Such updates will result in changes to the allocations to municipalities, and indicative allocations for future years will change to reflect adjustments in these variables.

The need to introduce the new formula over a five-year period means that the full impact of the annual updates will be moderated by the phasing-in effect, which will slow the pace of both increases and decreases in the allocations to individual municipalities. This is necessary to avoid any sudden and potentially destabilising changes in allocations.

### *Potential refinements to the formula*

Although the new local government equitable share formula has been through extensive consultations and much technical work, national government is still open to improving the formula's functioning in terms of the agreed principles and objectives. Areas for possible refinement include the introduction of factors to account for the land area and settlement types of municipalities within the community services component (this was an option many municipalities were strongly in favour of during the consultations, but it was not technically feasible for the 2013 formula). The proposal for the new local government equitable share formula included a specific sub-component for fire services within the community services component. These funds were to be allocated to the municipality (district, local or metropolitan) authorised to perform the function. Unfortunately, implementation will have to be delayed as there is no credible and comprehensive database available on this function's assignment.

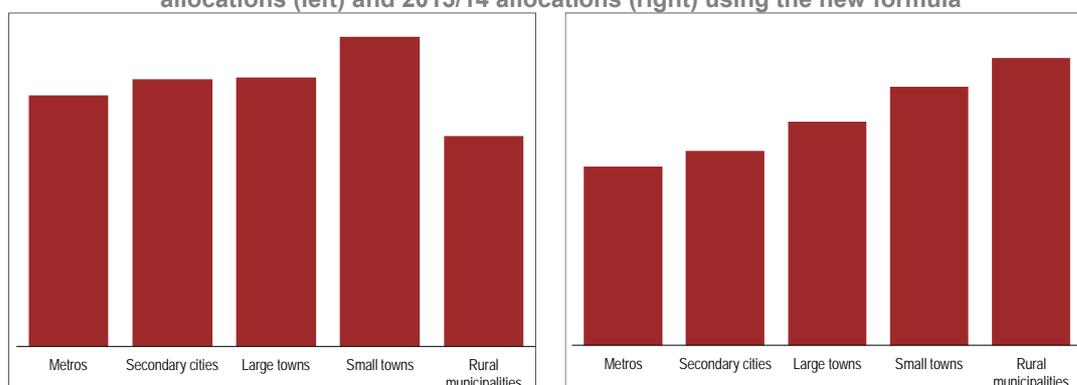
While national government is committed to considering all proposed refinements to the formula, another full review is not envisaged until it has been fully phased in.

### *Impact of the new formula*

The new local government equitable share formula has many advantages. The structure responds directly to the formula's objectives; cost estimates for basic services are more realistic; the broadly accepted poverty measure covers nearly 60 per cent of households in South Africa; institutional funding for poor municipalities is better targeted; there is funding for community services; and the data used to calculate allocations is updated annually.

The new formula also changes the allocations to municipalities. As Figure W1.1 below demonstrates, under the previous equitable share formula the allocations for rural municipalities were the lowest when considered per poor household (comparison is made after adding all funds allocated to district and local municipalities to serve the same area). In the new formula, rural municipalities receive the largest allocations on a per-poor-household basis. As rural municipalities generally struggle to fund their costs from own revenues it is appropriate that they receive stronger support from transfers.

**Figure W1.1 Equitable share allocations per poor household for different types of municipalities, 2012/13 allocations (left) and 2013/14 allocations (right) using the new formula**



*Note: Allocations reflect all funds allocated for services in the area of a municipality, whether those funds are transferred to a district or local municipality. Allocations for 2013/14 are determined through the new formula before the correction and stabilisation component is applied.*

The full impact of these changes will not be felt in 2013/14 as the guarantees and phase-in process will keep the new formula's allocations to some municipalities above the determined amount, and funds will be subtracted from allocations to other municipalities to fund these guarantees. The full impact of the new formula will therefore not be felt until 2017/18 when it is fully phased in.

The addition of R5.4 billion to the equitable share over the 2013 MTEF (R851 million in 2014/15 and R4.6 billion in 2015/16) will cover the expected increases in the costs of basic services and provide for additional funds to flow through the institutional and community services components in 2015/16. These additions will further increase the allocations to municipalities with low own-revenue-raising potential.

#### *Details of new allocations*

In addition to the three-year formula allocations published in the Division of Revenue Bill, estimates of municipal allocations over the full five years of the phase-in period will be provided on the National Treasury's website. This will enable municipalities to see what the full impact of the new formula will be once it is fully phased in. To promote transparency (in line with principle 5 of the formula), details of each component's allocation and a summary version of the formula will also be published (available at: [http://mfma.treasury.gov.za/Media\\_Releases/LGESDiscussions/Pages/default.aspx](http://mfma.treasury.gov.za/Media_Releases/LGESDiscussions/Pages/default.aspx)).

#### **Other unconditional allocations**

##### *RSC/JSB levies replacement grant*

Before 2006, district municipalities raised levies on local businesses through an RSC or JSB levy. This source of revenue was replaced in 2006/07 with the *RSC/JSB levies replacement grant*, which was allocated to all district and metropolitan municipalities based on the amounts they had previously collected through the levies (the *RSC/JSB levies replacement grant* for metropolitan municipalities has since been replaced by the sharing of the general fuel levy). The value of the grant increases every year. In 2013/14, the grant increases by 9 per cent a year for district municipalities authorised for water and sanitation and 3 per cent for unauthorised district municipalities. The different rates recognise the various service-delivery responsibilities of these district municipalities.

##### *Special support for councillor remuneration and ward committees*

Councillors' salaries are subsidised in poor municipalities. This support is calculated separately to the local government equitable share and is in addition to the funding for governance costs provided in the institutional component. The level of support for each municipality is determined by the classification system used in the Government Gazette, which determines the upper limits of salaries, allowances and benefits of different members of municipal councils. The gazette, published annually by the Minister of Cooperative Governance and Traditional Affairs, classifies municipal councils into six grades based on their total income and population size. Special support is provided to the lowest three grades of municipal councils (the smallest and poorest municipalities). Funds were added in the 2012 MTEF to increase the support for councillor remuneration. These additions are still being phased in during 2013/14 and 2014/15. The proportion of councillors' salaries subsidised through this allocation for different grades of municipalities is shown in Table W1.28. All subsidy levels are based on the gazetted upper maximum levels for part-time councillors. In addition, each municipality in grades 1 to 3 receives an allocation to provide stipends of R500 per month to 10 members of each ward committee in their municipality. Each municipality's allocation for this special support is published in the appendices to the Division of Revenue Bill.

**Table W1.28 Subsidy levels provided for councillor remuneration**

<b>Municipal grade</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
1	90.0%	90.0%	90.0%
2	70.0%	80.0%	80.0%
3	55.0%	70.0%	70.0%

## Conditional grants to local government

National government allocates funds to local government through a variety of conditional grants. These grants fall into two main groups: infrastructure and capacity building. The total value of conditional grants directly transferred to local government increases from R34.5 billion in 2013/14 to R36.9 billion in 2014/15 and R40.6 billion in 2015/16.

## Infrastructure conditional grants to local government

National transfers for infrastructure, including indirect or in-kind allocations to entities executing specific projects in municipalities, amount to R122.7 billion over the 2013 MTEF.

**Table W1.29 Infrastructure transfers to local government, 2009/10 – 2015/16**

R million	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Outcome			Revised estimate	Medium-term estimates		
<b>Direct transfers</b>	<b>18 699</b>	<b>20 871</b>	<b>24 643</b>	<b>28 029</b>	<b>31 092</b>	<b>33 548</b>	<b>36 971</b>
Municipal infrastructure grant	8 728	9 704	11 443	13 882	14 352	14 684	15 448
Municipal water infrastructure grant	–	–	–	–	603	1 059	2 672
Urban settlements development grant	4 418	4 968	6 267	7 392	9 077	10 335	10 700
Integrated national electrification programme	900	1 033	1 097	1 151	1 635	1 565	2 056
Public transport infrastructure grant	2 421	3 700	4 612	4 988	4 669	5 126	5 279
Neighbourhood development partnership grant	508	832	738	578	598	591	600
2010 FIFA World Cup stadiums development grant	1 661	302	–	–	–	–	–
Rural roads asset management systems grant	10	10	35	37	52	75	98
Rural households infrastructure grant	–	–	–	–	107	113	118
Municipal drought relief grant	54	320	450	–	–	–	–
<b>Indirect transfers</b>	<b>2 763</b>	<b>2 682</b>	<b>2 553</b>	<b>4 823</b>	<b>5 399</b>	<b>7 029</b>	<b>8 617</b>
Integrated national electrification programme	1 616	1 720	1 165	1 879	2 141	2 488	3 680
Neighbourhood development partnership grant	70	50	50	80	55	58	65
Regional bulk infrastructure grant	577	851	1 260	2 523	3 203	4 483	4 872
Backlogs in water and sanitation at clinics and schools	350	–	–	–	–	–	–
Backlogs in the electrification of clinics and schools	149	–	–	–	–	–	–
Rural households infrastructure grant	–	62	78	341	–	–	–
<b>Total</b>	<b>21 462</b>	<b>23 553</b>	<b>27 196</b>	<b>32 852</b>	<b>36 492</b>	<b>40 577</b>	<b>45 588</b>

### *Municipal infrastructure grant*

The largest infrastructure transfer is made through the *municipal infrastructure grant*, which supports government's aim to expand service delivery and alleviate poverty. The grant funds the provision of infrastructure for basic services, roads and social infrastructure for poor households in all non-metropolitan municipalities. The total allocations for this grant grow to R14.4 billion, R14.7 billion and R15.5 billion over the 2013 MTEF.

The *municipal infrastructure grant* is allocated through a formula with a vertical and horizontal division. The vertical division allocates resources between sectors and the horizontal division takes account of poverty, backlogs, and municipal powers and functions in allocating funds to municipalities. The five main

components of the formula are described in the box below. A minimum allocation of R5 million ensures that a reasonable minimum allocation is made to small municipalities.

**Municipal infrastructure grant = C + B + P + E + N**

**C** Constant to ensure increased minimum allocation for small municipalities (this allocation is made to all municipalities)

**B** Basic residential infrastructure (new and rehabilitation of existing infrastructure)  
Proportional allocations for water supply and sanitation, roads and other (street lighting and solid waste removal)

**P** Public municipal service infrastructure (ring-fenced for municipal sport infrastructure)

**E** Allocation for social institutions and micro-enterprises infrastructure

**N** Allocation to the 23 priority districts identified by government

For the 2013 MTEF, the *municipal infrastructure grant* allocation formula has been updated with data from the 2011 Census. Allocations for basic services sub-components are based on the proportion of the national backlog for that basic service in each municipality. Other components are based on the proportion of the country's poor households located in each municipality. Table W1.30 sets out the proportion of the grant accounted for by each component of the *municipal infrastructure grant* formula. The C-component provides a R5 million base to all municipalities.

In the 2011 division of revenue, the P-component (15 per cent of the grant) was ring-fenced for municipal sport and recreation infrastructure. This ring-fencing continues in the 2013 MTEF.

Amounts of R291.4 million in 2013/14, R946 million in 2014/15 and R1.2 billion in 2015/16 have been shifted from the *municipal infrastructure grant* to the new *municipal water infrastructure grant* described below. In the 2012 Division of Revenue Bill, the *rural households infrastructure grant* was to be phased into the *municipal infrastructure grant*. This decision has been reversed and amounts of R113.1 million in 2014/15 and R118.3 million in 2015/16 have been shifted from the *municipal infrastructure grant* to restore the *rural households infrastructure grant*.

**Table W1.30 Municipal infrastructure grant allocations  
per sector**

Municipal infrastructure grant (formula)	Component weights	Proportion of MIG per sector	Value of component 2013/14 (R millions)
<b>B-component</b>	<b>75.0%</b>		<b>9 838</b>
Water and sanitation	72.0%	54.00%	7 083
Roads	23.0%	17.25%	2 263
Other	5.0%	3.75%	492
<b>P-component</b>	<b>15.0%</b>		<b>1 968</b>
Sports	100.0%	15.00%	1 968
<b>E-component</b>	<b>5.0%</b>	<b>5.00%</b>	<b>656</b>
<b>N-component</b>	<b>5.0%</b>	<b>5.00%</b>	<b>656</b>
<b>Constant</b>			<b>1 235</b>
<b>Total</b>			<b>14 352</b>

#### *Urban settlements development grant*

In 2011/12, the *urban settlements development grant* was introduced for the eight metropolitan municipalities as an integrated source of infrastructure funding to upgrade urban informal settlements. The grant combines basic services funding (previously allocated through the *municipal infrastructure grant*) with part of the basic services portion of the *human settlements development grant* (previously allocated to provinces). This shift reflects the importance of upgrading informal settlements and coordinating housing and basic services projects, and perhaps most significantly, government's policy to devolve more housing authority to cities. The *urban settlements development grant* is allocated a total of R30.1 billion in the 2013 MTEF.

#### *Municipal water infrastructure grant*

This is a new grant, administered by the Department of Water Affairs, to accelerate the delivery of clean water to communities that do not have access to basic water services. The grant provides funding for municipalities to plan and implement various projects, including the construction of new infrastructure and the refurbishment and extension of existing water schemes. The grant has an allocation of R4.3 billion over the 2013 MTEF.

#### *The public transport infrastructure grant*

The *public transport infrastructure grant* is administered by the Department of Transport. This grant was previously the *public transport infrastructure and systems grant*. The operational portion of the previous grant has been separated as the *public transport network operations grant* from 2013/14, meaning that the infrastructure grant will only fund capital expenditure. The grant aims to help cities create new and improve existing public transport and non-motorised transport infrastructure. This includes the provision of infrastructure for bus rapid transit systems. The grant has an allocation of R15.1 billion over the 2013 MTEF.

#### *The rural roads asset management systems grant*

The *rural roads asset management systems grant* is administered by the Department of Transport to improve rural roads infrastructure. The grant funds the collection of accurate data on the condition and usage of rural roads in line with the Road Infrastructure Strategic Framework for South Africa. This data will guide investments to maintain and improve these roads. Rural district municipalities are funded to collect data on the condition and usage of all the municipal roads in their area so that the spending of infrastructure funds (from the *municipal infrastructure grant* and elsewhere) can be properly planned to

maximise their impact. Over the 2013 MTEF, this grant will be extended to more municipalities. The grant has an allocation of R225.2 million over the MTEF.

#### *The rural households infrastructure grant*

The *rural households infrastructure grant* funds the provision of on-site solutions for water and sanitation services for rural households where piped infrastructure is not feasible. The grant will become a direct grant to municipalities in 2013/14. It was previously an indirect grant through which the Department of Human Settlements provided on-site infrastructure for water and sanitation in rural areas. From 2013/14, funds will be transferred directly to municipalities for these projects. This will allow municipalities to manage community consultation processes. The municipality will also be responsible for ensuring the infrastructure is maintained, providing a much greater incentive for maintenance planning to be included in projects from the beginning. The grant has an allocation of R338.2 million over the MTEF.

#### *The neighbourhood development partnership grant*

The *neighbourhood development partnership grant* seeks to develop community infrastructure and create a platform for private investment to improve the quality of life in townships. The grant is administered by the National Treasury and has an allocation of R2 billion over the MTEF for both the technical assistance (indirect) and capital (direct) grant.

#### *The integrated national electrification programme*

To sustain progress in connecting poor households to electricity, government will spend about R13.6 billion over the next three years on the national electrification programme. Of this, municipalities will spend R5.3 billion and Eskom will spend R8.3 billion on behalf of municipalities. This includes an additional R2.9 billion over the 2013 MTEF. This programme was instrumental in ensuring 85 per cent of all households have access to electricity, as reported in the 2011 Census.

#### *The regional bulk infrastructure grant*

This grant supplements the financing of the social component of regional bulk water and sanitation. It targets projects that cut across several municipalities or are large bulk projects within one municipality. The grant supplements regional bulk collection and wastewater treatment works. It may also be used to appoint service providers to carry out feasibility studies, related planning or management studies for infrastructure projects. The grant has additional funding of R2.8 billion over the 2013 MTEF, bringing the total value of the grant to R12.6 billion over the MTEF.

### **Capacity-building grants and other current transfers**

Capacity-building grants boost municipalities' building management, planning, technical, budgeting and financial management skills. The *expanded public works programme integrated grant for municipalities* promotes increased labour intensity in municipalities and the *water services operating subsidy grant* supports particular national water schemes that are being transferred to municipalities.

**Table W1.31 Capacity building and other current transfers to local government,  
2009/10 – 2015/16**

	2009/10	2010/11	2011/12	2012/13 Revised estimate	2013/14	2014/15	2015/16
<b>R million</b>							
<b>Direct transfers</b>	<b>2 194</b>	<b>1 951</b>	<b>1 862</b>	<b>2 586</b>	<b>3 364</b>	<b>3 351</b>	<b>3 632</b>
Municipal systems improvement grant	200	212	220	230	240	252	261
Local government financial management grant	300	365	385	403	425	449	470
Public transport network operations grant	–	–	–	–	881	745	862
Integrated city development grant	–	–	–	–	40	150	150
2010 FIFA World Cup host city operating grant	508	210	–	–	–	–	–
2013 African Cup of Nations host city operating grant	–	–	–	123	–	–	–
2014 African Nations Championship host city operating grant	–	–	–	–	120	–	–
Water services operating subsidy grant	849	664	542	562	421	450	470
Expanded public works programme integrated grant for municipalities	101	280	364	662	611	632	661
Infrastructure skills development grant	–	–	39	75	99	154	179
Energy efficiency and demand-side	175	220	280	200	181	155	202
Municipal disaster grant	61	–	32	330	347	364	376
<b>Indirect transfers</b>	<b>318</b>	<b>257</b>	<b>217</b>	<b>133</b>	<b>139</b>	<b>142</b>	<b>151</b>
Energy efficiency and demand-side	75	109	119	–	–	–	–
Water services operating subsidy	243	148	98	133	139	142	151
<b>Total</b>	<b>2 512</b>	<b>2 208</b>	<b>2 079</b>	<b>2 719</b>	<b>3 503</b>	<b>3 493</b>	<b>3 783</b>

#### *Local government financial management grant*

The *local government financial management grant*, under the National Treasury vote, funds the modernisation of financial management, including building in-house municipal capacity to implement multi-year budgeting, linking integrated development plans to budgets, producing quality and timely in-year and annual reports, and generally supporting municipalities in the implementation of the Municipal Finance Management Act. Total allocations for the *local government financial management grant* amount to R1.3 billion over the 2013 MTEF.

#### *The public transport network operations grant*

The *public transport network operations grant* subsidises the operational costs of public transport systems built through the *public transport infrastructure grant*. Previously, both grants formed part of the *public transport infrastructure and systems grant*. This grant has been split into separate infrastructure and operational grants to provide more transparency on what is being funded and to provide cities with greater certainty about the levels of operational funding they can expect to receive to support the new public transport networks they are running. The public transport network operations grant is allocated R2.5 billion over the 2013 MTEF.

#### *Integrated city development grant*

This is a new grant that provides a financial incentive for metropolitan municipalities to integrate and focus their use of all available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form. The grant has an allocation of R340 million over the MTEF.

***Infrastructure skills development grant***

This grant, introduced in 2012, places interns with technical skills in municipalities. These interns spend two years in a well-capacitated municipality or entity gaining skills and experience, and are then transferred to a rural municipality with poor capacity to complete their internship. This programme will increase the pool of qualified engineers and scientists working in municipalities and will give rural municipalities the opportunity to hire these skilled personnel when they have completed their internships. The first cohort of interns in this programme began working in 2012. The grant has an allocation of R432.2 million over the MTEF.

***Municipal systems improvement grant***

The *municipal systems improvement grant* provides funding to non-metropolitan municipalities to help them implement their local government turnaround strategies. The grant is administered by the Department of Cooperative Governance and is allocated R753.5 million over the MTEF.

***Expanded public works programme integrated grant for municipalities***

This grant promotes the use of labour-intensive methods in delivering municipal infrastructure and services. The grant is allocated through a formula based on past performance – creating an incentive effect – with a bonus to give bigger allocations to poor, rural municipalities. The grant has an allocation of R1.9 billion over the MTEF.

***The energy efficiency and demand-side management grant***

The *energy efficiency and demand-side management grant* was introduced following load shedding in 2008. It funds selected municipalities to implement demand-side management projects, with a focus on public lighting and energy-efficient municipal infrastructure. The grant has an allocation of R538.1 million over the MTEF.

***The water services operating subsidy***

The *water services operating subsidy* is a grant with schedule 5B (direct) and schedule 6B (in-kind) components to fund water schemes. The grant covers staff-related costs, direct operating and maintenance costs, and infrastructure refurbishment. Allocations per municipality are based on the operational budget for each scheme and the funding requirements identified in the transfer agreement. Before 1994, the Department of Water Affairs administered these schemes, which are now being transferred to municipalities. At the end of 2011/12, 59 agreements had been signed, 5 524 staff transferred and 1 655 schemes (including rudimentary schemes) with a total asset value of about R6.6 billion transferred to municipalities. In the 2013 MTEF, R1.8 billion is allocated for the *water services operating subsidy* (direct and indirect transfers). This grant enables the transfer of staff operating water schemes from national government to municipalities. It is a transitional grant that is expected to be phased out over time.

***2014 African Nations Championship host city operating grant***

Following the successful hosting of the African Cup of Nations in January/February 2013, South Africa will host the African Nations Championship tournament in January 2014. An allocation of R120 million in 2013/14 is provided to support the cities hosting the tournament.

***Municipal disaster grant***

The *municipal disaster grant* was introduced in the 2011 MTEF. This grant is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately – without the need for the transfers to be gazetted first. Over the 2013 MTEF, R1.1 billion is available through this grant.

## ■ Part 6: Future work on provincial and municipal fiscal frameworks

### Provincial infrastructure transfers

Infrastructure conditional grants to provinces will be reformed during the 2013 MTEF to introduce incentives in existing grant structures, which will promote good infrastructure delivery management system practices and complement existing capacity support programmes. These incentives will aim to address infrastructure planning and procurement failures in infrastructure delivery.

From 2015/16, provinces will only be eligible to receive allocations for the *health facility revitalisation grant* and the *education infrastructure grant* if they meet certain planning criteria. Provinces will be required to bid for their infrastructure grant allocations two years in advance (during 2013/14, provinces will bid for their 2015/16 allocations). A set of bidding prerequisites and criteria will be used to evaluate bids. Unsuccessful bids will not be funded and those allocations will be pooled in an unallocated fund, which provinces with successful bids can apply for. The 2013 Division of Revenue Bill requires provinces to complete and submit plans and bids for these grants during 2013/14.

#### *Prerequisites*

Provinces will only be entitled to bid for funds if they have the following in place:

- An agreed framework outlining the roles and responsibilities within a provincial infrastructure delivery management system, which has been adopted and signed off by the Provincial Cabinet. This framework must also be supported by the appropriate capacity.
- Long-term infrastructure plans (a user asset management plan) for each sector, aligning a department's strategic objectives and infrastructure needs.
- Appropriate monitoring systems and contract management systems that enable filing, record-keeping and tracking project expenditure.

#### *Approval processes*

After the prerequisites have been met, there will be two approval processes. First, provinces will be required to bid for their allocations using a signed-off infrastructure programme management plan and supporting construction procurement strategy. In the second process, successful departments will have to prepare and define the project/programme packages that are to be implemented. These will be assessed to confirm each province's allocation (confirmed by an allocation letter from the National Treasury). The province will be instructed to proceed with tender procedures. These two approval processes will be finalised during the two years before projects/packages are implemented.

After the second approval, the process is closed and the application process for the year is complete. But there will still be a possibility that allocations will be withdrawn if there is non-compliance, irregularities or material deviation from original submissions. Funds that remain unallocated at the end of this approval process can be allocated to provinces that are ready to implement additional projects. These projects, which would already be in the approval process but proposed for subsequent years, will be brought forward.

During the year in which funds are spent, measures will be put in place to ensure that if a province is not spending at the planned rate, they do not receive further transfers until they have spent the funds already transferred. Options will also be explored to shift unspent funds to projects where they can be spent during the year.

### Local government infrastructure transfers

In the 14 years since the first Division of Revenue Act was first introduced in 1998, more than R165 billion in infrastructure grants have been made available to municipalities or to national departments

to spend on their behalf. Of this amount, just over R134 billion was allocated in the last six years (2007/08 to 2012/13). The impact of this massive amount of funding on levels of access to service is revealed in the results of the 2011 Census. A preliminary analysis of these results reveals a mixed picture in which some municipalities have managed to make impressive inroads in providing access to basic services while in other areas progress has been very limited.

The 2011 Census results reveal where infrastructure spending has achieved results, and where it has been less effective. This will allow government to draw lessons from these successes and failures and examine how the grant system can be most effective in delivering infrastructure. The Budget Forum has recommended that the 2011 Census data should form the basis of a thorough review of the local government conditional grant system in the period leading up to the 2014 Budget. This review will be coordinated by the National Treasury, using a collaborative process that will include national departments, SALGA and the FFC, and extensive consultation with municipalities. Obtaining input from as many stakeholders as possible will enhance the analysis in the review and help to build consensus about the system's challenges and potential solutions.

### **Municipal taxation**

The national framework for municipal taxation powers is determined by section 229 of the Constitution, which empowers municipalities to impose a property tax and surcharges on fees for municipal services, subject to national regulation. However, in exercising their revenue-raising powers, it is important that municipalities do not materially or unreasonably prejudice national economic policies and economic activities across municipal boundaries.

The Municipal Property Rates Act (2004) and the Municipal Fiscal Powers and Functions Act (2007) regulate municipal fiscal powers and functions as provided for in section 229 of the Constitution.

#### *Municipal Property Rates Act*

The Municipal Property Rates Act regulates the power of municipalities to impose rates on properties. The act is administered by the Department of Cooperative Governance. The department proposed amendments to the act in 2011/12 to improve its implementation and minimise legal ambiguities. The Municipal Property Rates Amendment Bill was published on 9 June 2011 for public comment. The department has considered all inputs from the public and intends to resubmit the bill to Cabinet during 2013, following which the bill will be introduced to Parliament.

#### *Municipal Fiscal Powers and Functions Act*

The Municipal Fiscal Powers and Functions Act, which came into effect on 7 September 2007, deals with the regulation of all municipal taxes other than property rates. The act aims to promote predictability, certainty and transparency of municipal fiscal powers and functions, and to ensure that these powers and functions are exercised in line with the provisions of section 229 of the Constitution. The National Treasury intends to amend the act to improve its implementation.

#### *Application for a new municipal tax*

Section 5 of the Municipal Fiscal Powers and Functions Act provides for a municipality, a group of municipalities or organised local government to apply to the Minister of Finance for the authorisation of a new municipal tax. A new municipal tax may not be imposed without prior approval by the minister. Any application for a new tax must set out the reasons for the proposed tax and the manner in which the revenue from the tax will be used.

To date, two applications that comply with the requirements of section 5 of the Municipal Fiscal Powers and Functions Act have been received by the National Treasury: (a) an application for the introduction of a rural-based development levy in areas where municipalities struggle to implement valuation rolls for the

purposes of imposing property rates; and (b) an application for the introduction of a local business tax for businesses operating within the jurisdiction of metropolitan municipalities. The Minister of Finance did not approve the proposal for a local business tax. His ruling was informed by the following:

- New taxes or increases in existing taxes during periods of slow growth would be unwise, as it could bankrupt businesses that are already struggling.
- Although metropolitan municipalities are relatively well equipped to exploit their existing own-revenue base, such as property rates, service charges and other own-revenue sources, there is still room to further improve own-revenue collections.

Municipalities are encouraged to further improve their debt management and eliminate non-priority expenditure. This could raise significant additional funds for municipal priorities.

### **Sharing of the general fuel levy**

The sharing of the general fuel levy was introduced in 2009/10 as a permanent replacement to the former RSC and JSB levies for metropolitan municipalities. This was done in addition to the VAT reforms introduced in 2006. District municipalities still receive the *RSC/JSB levies replacement grant*.

The transition from the *RSC/JSB levies replacement grant* system to the sharing of the general fuel levy has been phased in over three years to ensure a smooth transition. The final year of this phase-in process was 2011/12. From 2012/13, the sharing of the general fuel levy is based on fuel sales.

To determine the actual fuel sales in a metropolitan municipality, the fuel sales figures from the Department of Energy have been adjusted using population statistics to account for overlapping magisterial district boundaries, based on the 2011 Census.

The sharing of the general fuel levy is a direct charge and is formalised annually through the Government Gazette under schedule 1 of the Taxation Laws Amendment Act (2009).

**ANNEXURE W2:**  
**FRAMEWORKS FOR CONDITIONAL**  
**GRANTS TO PROVINCES**

## **Annexure W2: Frameworks for Conditional Grants to Provinces**

### **Detailed frameworks on Schedules 4A, 5A, 6A and 7A grants to provinces**

#### **Introduction**

This annexure provides a brief description of the framework for the grants set out in Schedules 4A, 5A, 6A and 7A of the 2013 Division of Revenue Bill. The following are key areas considered for each grant:

- Strategic goal and purpose of the grant
- Outcome statements and outputs of the grant
- Priority outcome(s) of government that the grant primarily contributes to
- Conditions of the grant (additional to what is required in the Bill)
- Criteria for allocation between provinces
- Rationale for funding through a conditional grant
- Past performance
- The projected life of the grant
- 2013 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provincial departments
- Process for approval of business plans for 2014/15

The attached frameworks are not part of the Division of Revenue Bill, but are published in order to provide more information on each grant to parliament, legislatures, municipal councils, officials in all three spheres of government and the public. Once the 2013 Division of Revenue Bill is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2013/14 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

## AGRICULTURE, FORESTRY AND FISHERIES GRANTS

<b>Comprehensive Agriculture Support Programme</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Forestry and Fisheries (Vote 26)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To create a favourable and supportive agricultural services environment for the farming community, in particular subsistence, smallholder and black commercial farmers</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in exports</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Broadened access to agricultural support for subsistence, smallholder and previously disadvantaged commercial farmers</li> <li>• On-off farm infrastructure provided</li> <li>• Identified markets for beneficiaries of the comprehensive agricultural support programme (CASP)</li> <li>• Improved knowledge and information on farming of CASP beneficiaries</li> <li>• Improved and effective extension and advisory services for farmers</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of subsistence, smallholder and commercial farmers supported through CASP</li> <li>• Number of youth and women farmers supported through CASP</li> <li>• Number of on-off farm infrastructure provided</li> <li>• Number of beneficiaries of CASP trained on farming methods</li> <li>• Number of beneficiaries of CASP with markets identified</li> <li>• Number of jobs created</li> <li>• Number of extension personnel recruited and maintained in the system</li> <li>• Number of extension officers upgrading qualifications in various institutions</li> <li>• Successful partnerships created to support farmers</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 5: Skills and capacity development</li> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> <li>• Outcome 4: Decent employment through inclusive economic growth Outcome indicators</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Monitoring and evaluation</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provinces to approve a Standard Operating Procedure (SOP) informed by the national SOP Framework by end March 2013</li> <li>• Decision to fund projects or farmers should be guided by the provincial SOP, or if not in place, the national SOP framework</li> <li>• Only business plans approved by established committees and authorities should receive the CASP grant</li> <li>• All assisted farmers should be listed in the provincial and national farm registers</li> <li>• The provincial department to confirm human resources capacity to implement CASP business plan by 2 April 2013</li> <li>• All receiving departments must abide by section 11 of 2013 Division of Revenue Act (DoRA)</li> <li>• Funds will be transferred as per the disbursement schedule for 2013/14</li> <li>• Provinces to inform the national transferring officer of any changes from plans and allocations approved within 30 days of such change, failure to comply will lead to section 17 of 2013 DoRA being effected</li> <li>• The business plans must be signed off by the Head of Department (HOD) of the provincial agriculture department in collaboration with the Chief Finance Officer (CFO) or his/her representative</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The formula used to allocate funds is a weighted average of the following variables: competitive CASP performance, land area (ha), restituted land delivered, redistributed land delivered and current benchmarks on production and national policy imperatives</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with the special poverty allocations made by national government for a specific purpose</li> <li>• The responsibility for the programme rests with Department of Agriculture Forestry and Fisheries (DAFF) while provincial Departments of Agriculture are implementing agents</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R1 029 million to provinces</li> <li>• R1 049 million available (including provincial roll-overs), 93.8 per cent was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 36 504 beneficiaries were supported</li> <li>• 6 303 jobs created</li> </ul>

<b>Comprehensive Agriculture Support Programme</b>	
	<ul style="list-style-type: none"> <li>• 16 181 farmers trained in targeted training programmes</li> <li>• A total of 95 extension officers were recruited nationally</li> <li>• A total of 828 extension officers registered for qualification upgrading</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2015/16</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R1 600 million, 2014/15: R1 665 million and 2015/16: R1 742 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• 20 per cent: 24 April 2013, 30 per cent: 21 August 2013, 30 per cent: 23 October 2013 and 20 per cent: 22 January 2014</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2013/14</li> <li>• Set norms and standards for the implementation of the grant during Intergovernmental Technical Committee on Agriculture and Land Affairs – Quarterly Review Meetings (ITCAL-QRM) workshops held quarterly</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation through project site visits and provide support on monthly and quarterly basis</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Submit the allocation criteria, 2014 MTEF provincial allocations and the final conditional grant framework to National Treasury by 6 December 2013 or as requested by National Treasury</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces to report monthly (financial) and quarterly (non-financial) reports on the progress of the programme</li> <li>• Provinces to implement the SOP as approved</li> <li>• Provinces to implement CASP pillars on the approved business plans; otherwise DAFF should be notified in writing about deviations before implementation can take place</li> <li>• Monitor and evaluate the impact of the implementation of the CASP in achieving the programme goals</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provide the provincial departments with business plan format guidelines, criteria and outputs as prescribed by National Treasury by 31 May 2013</li> <li>• Submission of provincial business plans by 29 November 2013</li> <li>• Engagement with provinces on submitted business plans during December 2013 – February 2014 through the National Assessment Panel (NAP)</li> <li>• Evaluation and recommendation of business plans by NAP during December 2013 - February 2014</li> <li>• Send funding agreement to provinces by February 2014 to be signed by HODs, Chief Financial Officers and CASP coordinators</li> <li>• Approval of business plans by DAFF Director-General (DG) before 31 March 2014</li> <li>• Inform provinces of approval of business plans by March or April 2014</li> <li>• Approval by the DG regarding 2014 DoRA business planning process compliance during April 2014 and send to National Treasury DG by April 2014</li> </ul>

<b>Ilima/Letsema Projects Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Forestry and Fisheries (Vote 26)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To reduce poverty through increased food production initiatives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased production efficiency</li> <li>• Increased agricultural production at both household and national level</li> <li>• Improved farm income</li> <li>• Maximised job opportunities and reduced poverty</li> <li>• Increased number of households assisted to cope with the escalating food prices</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of hectares (ha) planted</li> <li>• Number of tonnes produced within agricultural development corridors, e.g. maize</li> <li>• Number of beneficiaries/entrepreneurs supported by the grant</li> <li>• Number of newly established infrastructure plants through the grant</li> <li>• Number of hectares (ha) of rehabilitated and expanded irrigation schemes</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> <li>• Outcome 4: Decent employment through inclusive economic growth</li> <li>• Outcome 5: Skills and capacity development Outcome indicators</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outputs indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Monitoring and evaluation</li> <li>• Risks and mitigation strategies</li> <li>• Exit strategies (especially for projects in completion)</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Ilima/Letsema grant should be allocated in terms of the approved provincial Land and Agrarian Reform Programme (LARP) business plans</li> <li>• The provincial authorities must ensure that the fund supports Strategic Integrated Projects (SIP) 11 interventions of government</li> <li>• Provincial departments to confirm human resources capacity to implement Ilima/Letsema business plans on or before 2 April 2013</li> <li>• All receiving departments must abide by sections 12 of 2013 Division of Revenue Act</li> <li>• Funds will be transferred as per the disbursement schedule for 2013/14</li> <li>• Provinces to inform the national transferring officer of any changes from plans and allocations approved by Minister within 30 days of such change</li> <li>• The business plans must be signed off by Head of Department (HoD) of the provincial agriculture department in collaboration with the Chief Financial Officer (CFO) or his/her representative</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The formula used to allocate funds is a weighted average of the LARP priority areas and targeted areas of increased food production</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with the special poverty allocations made by national government for a specific purpose</li> <li>• The responsibility for the programme rests with Department of Agriculture, Forestry and Fisheries (DAFF) while provincial departments of agriculture are implementing agents</li> </ul>
<b>Past performance</b>	<p><b>2011/12 financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R400 million and transferred R400 million in 2011/12</li> <li>• A total of R405.4 million (including provincial roll-overs), 97.7 per cent was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 8 698 jobs were created</li> <li>• 110 834 beneficiaries were supported by the programme</li> <li>• 87 889 households were supported with starter packs and production inputs</li> <li>• 86 778.06 hectares of land planted</li> <li>• 371 542 tons of maize produced</li> <li>• 2 655 hectares of irrigation schemes were rehabilitated</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2015/16 financial year</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R438 million, 2014/15: R461 million and 2015/16: R482 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• 20 per cent: 24 April 2013, 20 per cent: 21 August 2013, 40 per cent: 23 October 2013, 20 per cent: 22 January 2014</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2013/14</li> <li>• Set norms and standards for the implementation of the grant during Intergovernmental</li> </ul>

<b>Ilima/Letsema Projects Grant</b>	
	<p>Technical Committee on Agriculture and Land Affairs – quarterly review meetings</p> <ul style="list-style-type: none"> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation through project site visits and provide support on monthly and quarterly basis</li> <li>• Submit monthly financial reports to National Treasury 15 days after the end of the month</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Submit the allocation criteria, 2014 MTEF provincial allocations and the final conditional grant framework to National Treasury by 6 December 2013 or as requested by National Treasury</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces to report monthly (financial) and quarterly (non-financial) on the progress of the projects</li> <li>• Provinces to implement the projects according to the approved business plans; any changes to the business plans should be communicated to DAFF in writing before implementation of projects can take place</li> <li>• Monitor project implementation and evaluate the impacts of projects in achieving Ilima/Letsema goals</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provide provincial departments with business plan format guidelines, criteria and outputs as prescribed by National Treasury by 31 May 2013</li> <li>• Submission of provincial and individual Ilima/Letsema business plans by provinces on 30 September 2013</li> <li>• Engagement with provinces on submitted business plans during October 2013 prior to National Assessment Panel (NAP)</li> <li>• Evaluation and recommendation of business plans by NAP during December 2013 – February 2014</li> <li>• Send Funding Agreements to provinces by February/March 2014 to be signed by the HoDs, Chief Financial Officers, and CASP/Ilima/Letsema coordinators</li> <li>• Approval of business plans by the DAFF Director-General (DG) before 31 March 2014</li> <li>• Inform provinces of approval of the business plan in March/April 2014</li> <li>• Approval by the DG regarding DoRA 2014 business planning process compliance during April 2014 and sent to National Treasury DG by April 2014</li> </ul>

<b>Land Care Programme Grant: Poverty Relief and Infrastructure Development</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Forestry and Fisheries (Vote 26)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To optimise productivity and sustainable use in community based natural resources management leading to greater productivity, food security, job creation and better quality of life for all</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To promote sustainable development and use of natural resources by engaging in the initiatives that supports the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved veld carrying capacity and livestock productivity</li> <li>• Improved production potential of cultivated land leading to more yield</li> <li>• Improved quantity and quality of South Africa's water resources mitigating disaster risk for the sector</li> <li>• Improved youth participation in agricultural sector and intergenerational skills</li> <li>• Improved custodianship of natural resources with community based ownership</li> <li>• Improved livelihoods of rural communities within the ambit of the green economy</li> <li>• Improved partnerships and institutions by private, public and community sectors that are responsible for the care of natural resources</li> <li>• Improved knowledge and skill base in the sustainable use and management of natural resources</li> <li>• Enhanced ecosystem services for current and future generations</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Hectares of rangeland protected and rehabilitated</li> <li>• Hectares of soil cultivated land protected and rehabilitated</li> <li>• Number of junior LandCare participants involved in the programme</li> <li>• Number and hectares of water resources protected and rehabilitated</li> <li>• Number of capacity building initiatives conducted for JuniorCare</li> <li>• Number of capacity building initiatives conducted and LandCarers attended</li> <li>• Number of awareness campaigns conducted and LandCarers attended</li> <li>• Number of LandCare committees/LandCare groups established</li> <li>• Hectares of land where weeds and invader plants are under control</li> <li>• Kilometres of fence erected</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all</li> <li>• Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Outputs indicators</li> <li>• Inputs</li> <li>• Cash flow projections and statement of work</li> <li>• Key activities/implementation plan</li> <li>• Monitoring and evaluation</li> <li>• Risk and mitigation</li> <li>• Exit strategy</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provinces must confirm capacity to implement projects and operational funding by March 2013</li> <li>• Provincial departments Annual Performance Plans for 2013/14 must clearly indicate measurable objectives and performance targets as per approved business plans with the Department of Agriculture, Forestry and Fisheries (DAFF). The impact of the LandCare programme should also be quantified (the before and after)</li> <li>• Provinces must report performance on fencing projects</li> <li>• Provinces should report their financial performance per project on a monthly basis</li> <li>• Provinces should on a monthly basis report on the number of jobs created. The report should, amongst others, indicate the name, surname and identity number, gender, project name, wage and duration of employment</li> <li>• Projects should adhere to the reporting dates as stipulated in the 2013 Division of Revenue Act (DORA) and furthermore adhere to the agreed dates as approved by the Natural Resource Management Working Group (NRMWG)</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on an index comprising of nodes, land capability, poverty, degradation and land size derived from the following sources: <ul style="list-style-type: none"> <li>– nodes are the most deprived wards in Comprehensive Rural Development Programme</li> <li>– land capability = total ha class I, II and III (spatial analysis - land capability data)</li> <li>– size = ha - (new boundaries from Municipal Demarcation Board)</li> <li>– poverty = poverty gap based on food poverty line (StatsSA Living Conditions Survey 2008/09)</li> <li>– degradation = ha (national land cover 2000)</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with the special poverty allocations made by national government for a specific purpose</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R57.7 million to provinces</li> <li>• Of the total available of R60.1 million (including provincial roll-overs), R56.9 million (94.8 per cent) was spent</li> </ul>

<b>Land Care Programme Grant: Poverty Relief and Infrastructure Development</b>	
	<p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 12 280 JuniorCare management sub-programme implemented</li> <li>• 2 018 work opportunities created on LandCare projects</li> <li>• 16 276.2 ha of land on which alien invasive plants eradicated</li> <li>• 3 313 ha of grazing area improved</li> <li>• 153 wetlands protected</li> <li>• 34 water sources developed or protected against over-utilisation</li> <li>• 798 gabion structures constructed</li> <li>• 15 049 of farm land hectares improved through conservation measures in all nine provinces</li> <li>• 356 km of fence erected</li> <li>• 11 315 beneficiaries have improved capacity and skill levels as benefited from capacity building initiatives</li> <li>• 2 083 work opportunities created through LandCare programme</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant will be reviewed when and if the need arises to align it with changes in the Expanded Public Works Programme, outcome approach, national planning report and any policy development within government</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R109 million, 2014/15: R68 million and 2015/16: R71 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• 10 per cent: 24 April 2013, 35 per cent: 21 August 2013, 35 per cent: 23 October 2013 and 20 per cent: 22 January 2014</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2013/14</li> <li>• Review norms and standards for the implementation of the grant during the NRMWG held quarterly</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation through project site visits and provide support to provinces that need assistance</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Submit evaluation reports to National Treasury 90 days after the end of the financial year</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial departments to report monthly (financial) and quarterly (non-financial) on the progress of the projects. Provinces should further adhere to agreements approved by the NRMWG on performance reporting and any other matter related natural resource management</li> <li>• Provincial departments to report monthly jobs created as part of the Expanded Public Works Programme (EPWP). These reports should be submitted to the Department of Public Works (DPW) using the approved reporting system and to the DAFF using the correct reporting template/format</li> <li>• Provincial departments to implement the projects according to the approved business plans. Any deviation should first be communicated to DAFF in writing and approved by DAFF before implementation</li> <li>• Provinces should constitute provincial assessment panels and assess all business plans submitted before end of September</li> <li>• Provincial departments should monitor project implementation and evaluate the impacts of projects in achieving LandCare goals</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provide provincial departments with business plan format guidelines, criteria and outputs as prescribed by National Treasury and DAFF by 28 June 2013</li> <li>• Submission of provincial and individual LandCare business plans by provinces on 30 September 2013</li> <li>• Engagement by DAFF with provinces on business plans submitted during provincial assessment panel and during October 2013 prior to National Assessment Panel (NAP)</li> <li>• Evaluation and recommendation of business plans by NAP during November 2013</li> <li>• Interactions with provinces requested by NAP to correct their business plans accordingly prior to approval by the Director General by November 2013</li> <li>• Approval of business plans by the Director-General before 29 March 2014</li> <li>• Notify provinces of the approval of business plan by 29 March 2014</li> <li>• Send funding agreements to provinces by January-March 2014 to be signed by the Heads of Departments, Chief Financial Officers and LandCare Coordinators</li> </ul>

## ARTS AND CULTURE GRANT

<b>Community Library Services Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Arts and Culture (Vote 14)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To enable the South African society to gain access to knowledge and information that will improve their socio-economic status</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved coordination and collaboration between national, provincial and local government on library services</li> <li>Transformed and equitable library and information services delivered to all rural and urban communities</li> <li>Improved library infrastructure and services that reflect the specific needs of the communities they serve</li> <li>Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs</li> <li>Improved culture of reading</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Signed agreements between national, provincial and local governments on the planning, management and maintenance of community libraries</li> <li>350 000 items of library materials (books, periodicals, toys etc) purchased</li> <li>Library Information and Communication Technology (ICT) infrastructure and systems using open source software in all provinces</li> <li>Library material and services for the visually impaired at community libraries in three provinces (Eastern Cape, Mpumalanga and North West)</li> <li>16 new library structures</li> <li>40 upgraded and maintained library structures</li> <li>Additional community library staff appointed in all provinces</li> <li>Capacity building programmes</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The provincial business plans must be developed in accordance with identified priority areas</li> <li>The funding must not be used as a replacement funding that provinces have to allocate to community libraries</li> <li>Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant. The detail of how these funds will be used must be included in the respective business plans</li> <li>Provinces may use a maximum of 10 per cent of the total amount allocated to them in the 2013/14 financial year to address the accounting of library assets. The detail of how these funds will be used must be included in the respective business plans</li> <li>Service level agreements determining reporting protocols must be signed with receiving municipalities within two months after the 2013 Division of Revenue Act takes effect</li> <li>The service level agreements must include payments schedules to municipalities and reporting protocols which outlines measurable performance targets for each municipality</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The distribution formula is based on an evaluation report for 2010/11 conducted by the department which identified community library needs and priorities</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This funding is intended to address backlogs and disparities in the ongoing provision and maintenance of community library services across provinces and enable national departments to provide strategic guidance and alignment with national priorities</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated R543.4 million and R570 million transferred to provinces</li> <li>Of the total allocation of R616.7 million (including provincial roll-overs), R537.5 million (87.2 per cent) was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>51 libraries upgraded</li> <li>13 libraries built</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Ongoing, the projected life will be informed by evaluation reports</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R598 million, 2014/15: R1 016 million and 2015/16: R1 341 million</li> </ul>

<b>Community Library Services Grant</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments (17 May 2013, 19 July 2013, 18 October 2013 and 31 January 2014)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community libraries</li> <li>• Participate in at least one intergovernmental forum meeting per province between provinces and municipalities</li> <li>• Identify challenges and risks and prepare mitigation strategies</li> <li>• Monitor and evaluate implementation</li> <li>• Evaluate annual performance of the grant for the 2012/13 financial year, for submission to National Treasury</li> <li>• Submit monthly financial and quarterly performance reports to National Treasury</li> <li>• Determine outputs and targets for 2014/15 with provincial departments</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces must establish intergovernmental forums with municipalities in their province that are funded through this grant that meet at least three times a year to discuss issues related to the provision of community library services</li> <li>• Provincial departments must establish capacity to monitor and evaluate service level agreements with municipalities</li> <li>• Submit monthly financial and quarterly performance reports including quarterly expenditure reports of municipalities to Department of Arts and Culture (DAC)</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces to submit draft business plans to DAC by 30 September 2013</li> <li>• DAC to evaluate provincial business plans and provide feedback to provinces by 29 November 2013</li> <li>• Provinces to submit final provincial business plans to DAC by 17 January 2014</li> <li>• DAC approves business plans and submits them to National Treasury by 14 March 2014</li> </ul>

## BASIC EDUCATION GRANTS

<b>Dinaledi Schools Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To increase the number of learners taking mathematics and physical science to grade 12, with a particular focus on female learners, in line with the National Strategy for Mathematics, Science and Technology Education (NSMSTE 2002)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To improve the quality of learner performance in Mathematics, Physical Sciences, Life Sciences and First Additional Language (FAL) English, in line with the Action Plan for 2014</li> <li>• To improve the content knowledge, pedagogies and didactic skills of mathematics, physical sciences and life sciences teachers</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Continually increased performance of learners and teachers in underprivileged schools presenting candidates in Grade 12 for the subjects mathematics, physical sciences and life sciences</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Based on a needs analysis at each Dinaledi school, and where lacking provide:             <ul style="list-style-type: none"> <li>– apparatus and consumables to schools that lack a functional sciences laboratory and assist schools with the acquisition of an appropriate, dedicated physical structure where needed</li> <li>– geometry sets and calculators</li> <li>– information and Communications Technology (ICT) hardware, software, internet connectivity and a dedicated physical structure</li> <li>– access to appropriate educational television broadcasts, including but not limited to the provision of TV sets, decoders and receiving dishes</li> <li>– content, didactic and pedagogic programmes to improve teacher effectiveness in mathematics, physical sciences, life sciences and English FAL</li> <li>– management training and/or mentoring for principals and school management teams</li> <li>– co-curricular, additional preparation of Grade 8 -11 learners for participation in olympiads and increased access to science clubs, science fairs and competitions</li> <li>– clearly defined incentives for learners, teachers and/or schools that achieve or exceed agreed upon performance targets</li> </ul> </li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk management plan</li> <li>• Procurement plan</li> <li>• Monitoring plan</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The Department of Basic Education (DBE) will identify service providers and advise provinces to ensure benefits of economies of scale, including facilitation of transversal tenders</li> <li>• Provinces may, on condition of proven capacity from the previous financial year, provide resources by applying their own procurement processes</li> <li>• Provinces may distribute budget allocations to schools in terms of the needs analysis contained in the provincial business plans on condition that schools display capacity according to predetermined criteria</li> <li>• Provinces must prove to the national department (DBE) that they have the necessary capacity to implement the grant effectively</li> <li>• DBE will appoint dedicated provincial project managers to support provincial administration in Dinaledi schools who will also be responsible for district development and School Management Teams (SMT) mentoring support</li> <li>• Provinces may conduct a tutor programme where tutors will be incentivised</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Dinaledi schools will have to satisfy the following criteria:             <ul style="list-style-type: none"> <li>– at least 50 learners per grade must be enrolled for mathematics in Grades 10-12. Schools with less than this number may nevertheless be eligible for inclusion, (such as newly established schools/special schools)</li> <li>– at least 60 per cent of learners in grades 10-12 must be enrolled for mathematics</li> <li>– at least 60 per cent of learners in grades 10-12 must have achieved a promotion mark for mathematics of 50 per cent or higher in the preceding year. Marks achieved in the final grade 9 promotion mark or end of year examination/assessment must be used to select grade 10 learners</li> <li>– at least 40 per cent of Grade 11 and 12 learners must have achieved a promotion mark for physical sciences and/or life sciences of 50 per cent or higher in the preceding year</li> <li>– there is a minimum 5 per cent year-on-year increase in enrolment numbers for mathematics,</li> </ul> </li> </ul>

<b>Dinaledi Schools Grant</b>	
	<p>physical and life sciences in grades 10-12</p> <ul style="list-style-type: none"> <li>– no-fee schools or schools where more than 50 per cent of parents are formally fee exempt</li> <li>• The criteria for inclusion in the Dinaledi Programme must be complied with. Non-compliant schools may be replaced with other qualifying schools in consultation with provincial Dinaledi project managers</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The Dinaledi Schools Project is a pilot project and will be used as a model for other schools to improve performance in mathematics, physical and life sciences</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R70 million and transferred R67.8 million to provinces</li> <li>• Of the R67.8 million R61.6 million was spent (88 per cent was spent)</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 1 Textbook for each all 7 subjects per learner in Grades 8, 9, 10, 11 and 12 learners were provided</li> <li>• 42 mobile science laboratories and 35 full laboratories equipped</li> <li>• Mathematics kits were procured for 51 Dinaledi Schools</li> <li>• 3 Dinaledi Schools received ICT laboratories (Repholositse, Tsolo, Teto) and computers</li> <li>• 124 schools received televisions</li> <li>• Provided 105 computers in each of the 500 Dinaledi Schools</li> <li>• A total of 602 teachers were trained on content knowledge in mathematics, physical science and English FAL</li> <li>• 410 principals were capacitated</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Continues until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R105 million, 2014/15: R111 million and 2015/16: R116 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments (2 April 2013, 1 August 2013, 1 November 2013 and 31 January 2014)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• The DBE will monitor the performance of the provincial departments quarterly and will evaluate in June 2013 and in November 2013</li> <li>• Develop, implement and manage a monitoring and evaluation plan</li> <li>• Develop and submit approved national business plans to National Treasury</li> <li>• Evaluate, approve/amend where appropriate, and submit provincial business plans to National Treasury</li> <li>• Manage, monitor and support the programme implementation in provinces and evaluate provincial capacity to implement the grant</li> <li>• Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Evaluate performance of the conditional grant and submit an annual evaluation report to National Treasury by 31 July 2013</li> <li>• Enter into agreements with suppliers of materials and services to Dinaledi schools</li> <li>• Specify the competencies and appoint project managers for each province</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Comply with the minimum requirements of the national transferring officer's (DBE) monitoring and evaluation plan</li> <li>• Develop and submit approved business plans to the DBE</li> <li>• Consult with the grant manager regarding the appointment of competent project managers to monitor and provide support to districts/regions and schools</li> <li>• Submit approved quarterly financial and narrative reports to the DBE</li> <li>• Report to the DBE on the human resource capacity available in the province to implement the grant</li> <li>• Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE</li> <li>• Submit a quarterly performance report to DBE within 30 days after the end of each quarter</li> <li>• Compile and submit a provincial evaluation report to the DBE by 31 May 2013</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Consultation with provincial Dinaledi project managers, finance sections of provincial treasuries and National Treasury</li> <li>• Provinces submit first draft business plans and report on capacity to implement the grant to the DBE by 30 October 2013</li> <li>• The DBE evaluates draft business plans and sends comments to provinces by 13 December 2013</li> <li>• Provinces submit final business plans to the DBE by 28 January 2014</li> <li>• Director-General approves national and provincial business plans by 1 April 2014</li> </ul>

<b>Education Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To supplement provinces to fund provincial education infrastructure</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education</li> <li>• To enhance capacity to deliver infrastructure in education</li> <li>• To address damage to infrastructure caused by floods in January and February 2011</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved service delivery by provincial departments as a result of an improved and increased stock of schools infrastructure</li> <li>• Aligned and coordinated approach to infrastructure development at the provincial level</li> <li>• Improved education infrastructure expenditure patterns</li> <li>• Improved response to the rehabilitation of school infrastructure affected by disasters</li> <li>• Improved rates of employment and skills development in the delivery of infrastructure</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of new schools and additional education spaces, education support spaces, administration as well as equipment and furniture</li> <li>• Number of existing school infrastructure upgraded and rehabilitated</li> <li>• Number of new and existing schools maintained</li> <li>• Number of work opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses an User-Asset Management Plan (U-AMP) which contains the following: <ul style="list-style-type: none"> <li>– demand and need determination</li> <li>– education infrastructure improvement priorities and targets</li> <li>– current performance of education infrastructure</li> <li>– project portfolio</li> <li>– U-AMP improvement plan</li> <li>– project lists for 2014/15 and 2015/16</li> <li>– financial summary</li> <li>– organisational and support plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provinces must indicate the number of vacancies and positions filled and report expenditure for all posts funded fully or partially by this conditional allocation. This fund is allocated until 2014/15 financial year</li> <li>• Provinces must report all infrastructure expenditure partially or fully funded by this grant through the Project and Asset Segment in the Standard Chart of Accounts</li> <li>• Provinces must maintain up to date databases of all contracts that are fully or partially funded by this grant that is compliant with the Register of Projects and i-Tender system. Non-compliance with this requirement may result in the withholding of this grant</li> <li>• The flow of the first instalment of the grant depends upon receipt of the approved and signed off tabled U-AMPs with prioritised project lists for the 2013 MTEF not later than 10 April 2013 to Department of Basic Education (DBE) and the relevant provincial treasuries</li> <li>• The flow of the second instalment depends upon receipt, by DBE, of the approved and signed off: <ul style="list-style-type: none"> <li>– 2012/13 fourth quarter infrastructure reports captured on the Infrastructure Reporting Management (IRM)</li> <li>– National Education Infrastructure Management System (NEIMS) assessment forms for the fourth quarter of 2012/13 financial year not later than 19 April 2013</li> </ul> </li> <li>• The flow of the third instalment is dependent upon receipt by DBE of the approved and signed off: <ul style="list-style-type: none"> <li>– draft U-AMP for 2014/15 including the initial list of prioritised projects. The 2014/15 project list must be drawn from the prioritised project list for the MTEF tabled in 2013/14. Changes to the MTEF prioritised list of projects must be motivated to the DBE</li> <li>– quarterly infrastructure reports for the first quarter of 2013/14 financial year captured on the IRM</li> <li>– NEIMS assessment forms for the first quarter of 2013/14 not later than 26 July 2013</li> </ul> </li> <li>• The flow of the fourth instalment is conditional upon the submission of the approved and signed off: <ul style="list-style-type: none"> <li>– quarterly infrastructure reports for the second quarter of 2013/14 financial year captured on the IRM</li> <li>– NEIMS assessment forms for the second quarter of 2013/14</li> <li>– submission of the Infrastructure Programme Management Plan (IPMP) accompanied by the comprehensive maintenance plan to be implemented in 2014/15 financial year not later than 25 October 2013</li> <li>– submission to DBE of the implementation plans for schools affected by disasters in the 2011/12 financial year by 6 November 2013</li> </ul> </li> <li>• The flow of the fifth instalment is conditional upon the submission of the approved and signed off:</li> </ul>

<b>Education Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>– quarterly infrastructure reports for the third quarter of 2013/14 financial year</li> <li>– NEIMS assessment forms for the third quarter of 2013/14. The submission is to be made to DBE not later than 24 January 2014</li> <li>– the progress reports on the implementation of the programme for the schools affected by disasters in 2011/12 should be submitted to DBE not later than 17 January 2014</li> <li>• Client departments must enter into Service Delivery Agreements (SDAs) with their Implementing Agents. The development or review of the SDA should continue in parallel with the development of the IPMP</li> <li>• Provincial Education Capacity Plans aligned to the Infrastructure Delivery Improvement Plan (IDIP) human resources strategy must be approved by the DBE</li> <li>• All immovable asset management and maintenance responsibilities as prescribed by the Government Immovable Asset Management Act of 2007 (GIAMA) and the Infrastructure Delivery Management Toolkit must be adhered to</li> <li>• Provincial education departments (PEDs) must provide school governing bodies with maintenance guidelines to conduct minor maintenance</li> <li>• PEDs must establish and maintain updated immovable asset registers</li> <li>• PEDs must provide all the necessary equipment and furniture in the spaces provided</li> <li>• Minor maintenance function must be budgeted and planned for at the provincial level and carried out through the district offices for non section 21 schools. A monitoring and evaluation tool must be developed by PEDs for maintenance in section 21 schools that receive a budget through the section 21 school's allocation for maintenance</li> <li>• Funds have been added to this grant for the repair of infrastructure damaged by floods in January and February 2011. Provisional allocations have been made for 2013/14 for the same purpose in the provinces listed below. Should the cost of repairing the affected infrastructure exceed the amounts earmarked below provinces may not fund this shortfall out of their remaining allocation of this conditional grant. The following amounts per province must be used for the repair of infrastructure damaged by the natural disaster declared in Government Gazette 33949 and as assessed by the National Disaster Management Centre: <ul style="list-style-type: none"> <li>– Eastern Cape R110 million</li> <li>– Free State R6 million</li> <li>– KwaZulu-Natal R16 million</li> <li>– Limpopo R20 million</li> <li>– Mpumalanga R2 million</li> <li>– North West R4 million</li> </ul> </li> <li>• R533 million is earmarked for projects in the Western Cape that were funded through the Schools Infrastructure Backlogs Grant. These funds must be used to meet the objectives of the Schools Infrastructure Backlogs Grant</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations for 2013/14 are based on historical division within the previous infrastructure grant for provinces</li> <li>• Allocation criteria for 2014/15 will change as new allocation criteria will be developed during 2013/14 and therefore the allocations for 2014/15 and 2015/16 are subject to revision</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of education infrastructure in a coordinated and efficient manner and consistent with national norms and standards for school building</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R5 498 million</li> <li>• The allocation was adjusted by R180 million for schools affected by disasters in 2010/11 financial year</li> <li>• Of the total R5 678 million adjusted budget, R5 361 million was transferred to provinces with R367 million withheld from the Eastern Cape</li> <li>• The spending was R5 254 million or 93 per cent of the adjusted allocation</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 3308 teaching spaces provided, 2521 admin spaces, 163 water, 475 sanitation, 204 energy, 227 fencing, 924 maintenance and upgrades and 24 sports facilities</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Education is a key government priority and given the need to continually maintain school infrastructure and ensure that norms and standards are maintained the grant will remain in place until at least the end of the 2013 MTEF</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R6 631 million, 2014/15: R7 161 million and 2015/16: R10 059 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• 12.5 per cent: 19 April 2013, 12.5 per cent: 24 May 2013, 25 per cent: 23 August 2013, 25 per cent: 8 November 2013, and 25 per cent: 31 January 2014</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• DBE will visit selected infrastructure sites in provinces</li> <li>• DBE and National Treasury will support provinces to improve infrastructure delivery capacity and systems</li> <li>• DBE must provide guidance to provinces in planning and prioritisation and evaluate Infrastructure Plans and prioritised projects that provinces develop and submit</li> <li>• DBE to report on quarterly performance on infrastructure delivery to the Council of Education</li> </ul>

<b>Education Infrastructure Grant</b>	
	<p>Ministers (CEM) and to National Treasury</p> <ul style="list-style-type: none"> <li>• Submit quarterly performance reports to National Treasury and National Council of Provinces within 45 days after the end of each quarter</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial departments must establish committees with the relevant implementing agents and hold monthly meetings that are minuted to review progress on the IPMP and Infrastructure Programme Implementation Plans (IPIP). Consult with the relevant municipality on the development of the Integrated Development Plans (IDPs) to ensure integrated planning of basic services and school sporting facilities</li> <li>• Compile and submit comprehensive projects progress report to DBE, Provincial Treasury and National Treasury</li> <li>• PEDs must table infrastructure plans together with draft strategic and annual performance plans</li> <li>• PEDs must submit to DBE and National Treasury prior to 3 September 2013 or another day agreed in writing by DBE and National Treasury, approved organisational structures which are in compliance with any directives by the Minister for the Public Service and Administration relevant to infrastructure delivery in the sector</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Submission of draft U-AMPs and prioritised list of projects for 2014/15 by PEDs to DBE by 26 July 2013, or a later date as may be determined by DBE</li> <li>• Submission of IPMPs for 2014/15 by client departments to implementing agents by 3 September 2013</li> <li>• Implementing department(s) or agent(s) must submit the IPIP for 2014/15 to client departments by 29 November 2013</li> <li>• Submission of progress report on implementation of programme for schools affected by disaster by 17 January 2014</li> </ul>

<b>HIV and AIDS (Life Skills Education) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enhance awareness programmes offered by schools to prevent and mitigate the impact of human immunodeficiency virus (HIV) and tuberculosis (TB)</li> <li>• To increase knowledge, skills and confidence amongst learners and educators to take self-appropriate sexual and reproductive health decisions</li> <li>• To increase access to sexual and reproductive health services including HIV as well as TB services for learners and educators</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To support South Africa's HIV prevention strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators</li> <li>• To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators</li> <li>• To ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse</li> <li>• To reduce the vulnerability of children to HIV, TB and Sexually Transmitted Infections (STIs), with a particular focus on orphaned and vulnerable children</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased HIV, STI and TB knowledge and skills amongst learners, educators and officials</li> <li>• Decrease in higher risk sexual behaviour among learners, educators and officials</li> <li>• Decreased barriers to retention in schools, in particular for vulnerable learners</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Master trainers trained in the integration of sexual and reproductive health (SRH) and TB programmes into the school curriculum</li> <li>• Educators trained to implement SRH and TB programmes for learners to be able protect themselves from HIV and TB</li> <li>• School Management Teams (SMT) and School Governing Bodies (SGBs) trained to develop school implementation plans focusing on keeping young people in school; ensuring that SRH and TB education is implemented for all learners in schools; and ensuring access to SRH and TB services</li> <li>• Co-curricular activities on SRH and TB implemented in schools</li> <li>• Care and support programmes implemented for learners and educators</li> <li>• Curriculum and Assessment Policy Statement (CAPS) compliant material including material for learners with barriers to learning printed and distributed to schools</li> <li>• Advocacy and social mobilisation events hosted with learners, educators and school communities to review and change societal norms and values on SRH and TB, to advocate for the integrated school health programmes including HIV testing and improved understanding of the transformative nature of education</li> <li>• Monitoring and support visits conducted at district and school levels</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Each provincial department must distribute the grant allocation in accordance with the following weights for the key performance areas: <ul style="list-style-type: none"> <li>- training and development (20 per cent)</li> <li>- co-curricular activities (20 per cent)</li> <li>- care and support (20 per cent)</li> <li>- learning and teaching support material (15 per cent)</li> <li>- advocacy and social mobilisation (10 per cent)</li> <li>- monitoring and support (8 per cent)</li> <li>- management and administration (7 per cent)</li> </ul> </li> <li>• Provinces must report on expenditure according to the above six key performance areas per quarter. Instalments are dependent on the national department receiving these reports, adherence to approved business plans and attendance at the biannual interprovincial meetings</li> <li>• The above percentages are guidelines and may be deviated in accordance with provincial needs with the approval of the national transferring officer. These deviations should be informed and motivated by achievements and/or critical challenges relating to the trends in the epidemic as relevant to respective provinces and provincial departments</li> <li>• Provincial education departments must ensure that they have the necessary capacity and skills to manage the implementation of the grant</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The shares of the education component of the equitable share formula as explained in Annexure W1 of the 2013 Division of Revenue Bill are used to allocate the grant amongst provinces</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• To enable the DBE to provide overall guidance, to ensure congruency, coherence and alignment with the government's National Strategic Plan for HIV and Aids, STIs and TB, 2012 - 2016 and</li> </ul>

<b>HIV and AIDS (Life Skills Education) Grant</b>	
	the Department of Basic Education's Integrated Strategy on HIV, STIs and TB, 2012 - 2016. This enables DBE to exercise an oversight role in the implementation of the HIV and AIDS Life Skills Education Programme in schools
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>From the total allocation of R215.3 million (including provincial roll-overs), provinces spent R193.9 million (90.04 per cent)</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>2 796 master trainers, 18 039 life orientation educators and 11 388 educators trained in the integration of life skills in the curriculum</li> <li>Functional peer education programmes (13 210); teenage pregnancy person programme (10 250); drugs and substance use programme (74 317 learners) and 7100 educators trained to mentor peer education in primary schools</li> <li>6 400 School based support teams established; 19 296 school management teams trained to develop policy implementation plans and 101 140 vulnerable learners identified and referred for services</li> <li>1 230 691 sets of learning and teaching support material delivered to 13 480 schools</li> <li>Advocacy reached 291 582 learners and educators as well as 462 108 members of the school communities</li> <li>8 168 schools reached through monitoring and support visits and 165 meetings held</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will be reviewed on an ongoing basis to respond to the nature and trends in the HIV and TB epidemics</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R214 million, 2014/15: R221 million and 2015/16: R226 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Four installments: 12 April 2013, 26 July 2013, 31 October 2013 and 31 January 2014</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Identify risks and challenges impacting on provincial implementation</li> <li>Develop risk management strategies to address the risks</li> <li>Ensure synergy with national strategies and processes aimed at reducing HIV and the related chronic illnesses such as TB infection in the country</li> <li>Agree on outputs and targets with provincial departments in line with grant objectives and national imperatives for 2014/15 by 30 September 2013</li> <li>Provide evidence-based guidance for the development of business plans based on monitoring and findings from international and national research</li> <li>Monitor implementation of the programme and provide support to provinces</li> <li>Develop partnerships with key stakeholders</li> <li>Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>Ensure synergy with national strategies and processes aimed at reducing HIV and TB infection and all other related issues</li> <li>Identify risks and challenges impacting on implementation</li> <li>Develop risk management strategies and implementation plans to address the risks</li> <li>Submit monthly, quarterly and annual performance reports to DBE in line with DoRA and PFMA</li> <li>Agree with the DBE on outputs and targets to ensure effective implementation of the programme</li> <li>Monitor implementation of the programme and provide support to districts and schools</li> <li>Evaluate and submit a provincial evaluation report on the performance of conditional grant to the DBE by 31 May 2013</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>Communication and meeting with provinces to inform targets for the next financial year by 27 September 2013</li> <li>Provinces submit draft business plans to DBE for evaluation by 29 November 2013</li> <li>The DBE evaluates provincial business plans from 6 December 2013</li> <li>Comments sent to provinces to amend the plans by 6 January 2014</li> <li>Provinces submit amended, signed plans to DBE by 28 February 2014</li> <li>DBE secures the Director-General's approval of provincial business plans by 31 March 2014</li> </ul>

<b>National School Nutrition Programme Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enhance learning capacity and improve access to education</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide nutritious meals to targeted learners</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Enhanced learning capacity and improved access to education</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Nutritious meals served to learners</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk Management Plan</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Develop national and provincial business plans</li> <li>• The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools: <ul style="list-style-type: none"> <li>– school feeding (inclusive of cooking utensils): minimum of 96 per cent</li> <li>– administration: maximum of 3.5 per cent</li> <li>– nutrition education and food production activities: minimum of 0.5 per cent</li> </ul> </li> <li>• Minimum feeding requirements: <ul style="list-style-type: none"> <li>– provide nutritious meals to all learners in quintile 1 to 3 primary and secondary schools (as per gazetted national quintiles) as well as identified special schools on all school days</li> <li>– cost per meal per learner in primary schools as well as identified special schools at an average of R2.60 and in secondary schools at an average R3.46, inclusive of cooking fuel and honorarium</li> <li>– honorarium of a minimum of R840 per person per month, in line with a food handler to learner ratio of 1:200. A ratio of 1:120 is recommended for schools where learner enrolment is 250 or fewer</li> <li>– comply with recommended food specifications and approved menu</li> <li>– fresh fruit/vegetables should be served daily and vary between green and yellow/red on a weekly basis</li> <li>– a variety of protein food should be served per week in line with approved menu options. Soya should not be served more than twice a week</li> <li>– pilchard should be served at least once a week. High quality protein products can replace pilchard in areas where it is not socially acceptable</li> <li>– in areas where fresh milk/maas is unavailable, only whole powdered milk may be used</li> <li>– provinces should promote sustainable food production and nutrition education</li> </ul> </li> <li>• Provinces that are transferring funds to schools are required to reconcile expenditure by schools against budget transfers on a quarterly basis</li> <li>• The 08 May 2013 budget transfer (as per payment schedule) is for cooking facilities, equipment and utensils for quintile 1-3 primary schools as per equipment specifications provided by the Department of Basic Education (DBE)</li> <li>• Provincial business plans will be approved in line with the above minimum requirements and available resources. The following variations may be approved by the transferring national officer based on achievements and/or critical challenges in each province: <ul style="list-style-type: none"> <li>– feeding days reduced to a minimum of 196 days</li> <li>– feeding cost below the above stated minimum requirements, which provide meals with maximum nutritional value as per menu specifications</li> <li>– number of learners that exceed the gazetted quintiles</li> <li>– serving of processed vegetables or fruit in remote areas</li> <li>– Quintile 1 to 3 schools that do not feed all learners (Gauteng and Western Cape). Letters from schools requesting a deviation from whole school feeding must be provided to the provincial office for record keeping</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The distribution formula is poverty based in accordance with the poverty distribution table used in the National Norms and Standards for School Funding as gazetted by the Minister of Education on 17 October 2008</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The National School Nutrition Programme (NSNP) is a government programme for poverty alleviation, specifically initiated to uphold the rights of children to basic food and education. The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R4 578.8 million to provinces</li> <li>• Of the total available R 4 751 million (including provincial roll-overs), R 4 543.2 (96 per cent) was spent</li> </ul>

<b>National School Nutrition Programme Grant</b>	
	<p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• The programme was extended to 889 498 quintile 3 (Q3) secondary school learners from April 2011</li> <li>• The programme provided meals to 6 186 711 learners in primary schools, 2 634 681 in secondary schools and 28 816 in special schools</li> <li>• 30 workshops were conducted in 28 districts on financial management, programme implementation, meal planning and preparation, food and gas safety as well as sustainable food production in schools to improve programme implementation</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• It is envisaged that, given the levels of poverty in the country and the impact of various health conditions such as HIV and Aids, diabetes and debilitating chronic conditions, the need for such a grant will persist for at least another 10 years. The programme ensures learners from the poorest communities have decent opportunities to learn</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R5 173.1 million, 2014/15: R5 461.9 million and 2015/16: R5 703.7 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• The payment schedule will be in line with respective provincial procurement models as follows: <ul style="list-style-type: none"> <li>– provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) five instalments: (10 April 2013, 08 May 2013, 13 June 2013, 05 September 2013 and 05 December 2013)</li> <li>– provinces that procure from service providers on behalf of schools five instalments: (10 April 2013, 08 May 2013, 15 August 2013, 24 October 2013 and 09 January 2014)</li> </ul> </li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Develop and submit approved national business plans to National Treasury</li> <li>• Evaluate, approve and submit provincial business plans to National Treasury</li> <li>• Manage, monitor and support programme implementation in provinces</li> <li>• Ensure compliance with reporting requirements and NSNP guidelines</li> <li>• Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Evaluate performance of the conditional grant and submit an evaluation report to National Treasury annually by 31 July</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Develop and submit approved business plans to DBE. The business plans should include databases reflecting distribution of volunteer food handlers and cooking fuel per school</li> <li>• Monitor and provide support to districts/regions/Area Project Officers (APOs) and schools</li> <li>• Manage and implement the programme in line with the Division of Revenue Act (DoRA) and the Public Finance Management Act (PFMA)</li> <li>• Implement monitoring and evaluation plans</li> <li>• Provide human resource capacity at all relevant levels</li> <li>• Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE by 31 May</li> <li>• Submit quarterly financial and performance reports to DBE after the end of each quarter</li> <li>• Provinces that are transferring funds to schools are required to reconcile expenditure by schools against budget transfers on a quarterly basis. Reports on actual expenditure should be submitted a month after the quarter being reported upon</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Planning meeting by 30 July 2013</li> <li>• Consultation with district officials, provincial treasuries, provincial finance sections and National Treasury</li> <li>• Provinces submit first draft business plans to DBE by 31 October 2013</li> <li>• Inter-provincial meeting held in October 2013 to consult provinces on the 2014/15 conditional grant framework</li> <li>• DBE evaluates first draft business plans and sends comments to provinces by 22 November 2013</li> <li>• Provinces submit final business plans to DBE by 31 January 2014</li> <li>• Director-General approves national and provincial business plans by 01 April 2014</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The eradication of inappropriate education structures and backlogs in basic services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Eradication of entire inappropriate school infrastructure</li> <li>• Provision of water, sanitation and electricity to schools</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved access to enabling learning and teaching environments</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Eradication and replacement of 496 entire inappropriate schools and provision of related school furniture</li> <li>• 1 257 schools provided with water</li> <li>• 868 schools provided with sanitation</li> <li>• 878 schools provided with electricity</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the Infrastructure Programme Management Plan</b>	<ul style="list-style-type: none"> <li>• Institutional framework</li> <li>• Procurement and contract management plan</li> <li>• Scope management</li> <li>• Time management plan</li> <li>• Cost management plan</li> <li>• Risk management plan</li> <li>• Quality management plan</li> <li>• Monitoring and reporting</li> <li>• Budgeting and programme accounting</li> <li>• Performance management</li> <li>• Communication management plan</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• This is a grant-in-kind administered by the national Department of Basic Education (DBE) that may be transferred to a province through the Education Infrastructure Grant if the province is able to demonstrate, through a proven track record, that it has the capacity to implement the projects</li> <li>• DBE must submit an infrastructure programme implementation plan</li> <li>• Programme governance will be conducted by various committees established to ensure that various processes are initiated within the programme <ul style="list-style-type: none"> <li>– National Steering Committee</li> <li>– Technical Committee</li> <li>– Project Steering Committee</li> <li>– Provincial Planning and Monitoring Team (PPMT) or equivalent should meet monthly to ensure: information flows between the stakeholders, unblocking of processes, monitoring of progress; and cooperation</li> <li>– Infrastructure Bid Specification and Evaluation Committee</li> <li>– Infrastructure Bid Adjudication Committee</li> </ul> </li> <li>• The DBE must submit monthly project reports with cash flow to National Treasury 15 days after the end of each month that show how actual payments and cash flow reconcile with the projected cash flow schedule and explain any deviations from the original projected cash flow</li> <li>• Assets will be transferred to custodians in respective provinces who must report in their annual report and describe how the schools have been considered in their future maintenance plans</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The grant allocation is based on the distribution of inappropriate structures, schools without access to water, sanitation and electricity across provinces</li> <li>• Final allocations will be based on the finalised Infrastructure Programme Management Plan of the DBE as approved by the Director-General</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This is a specific purpose grant, to eradicate the basic safety norms backlog in schools without water, sanitation and electricity and to replace those schools constructed from inappropriate material including mud schools to contribute towards levels of optimum learning and teaching. The grant will be administered by the national department to achieve maximum impact in the shortest time possible</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R700 million allocated and R76 million was spent (10.9 per cent)</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Planning and construction progress at 49 schools</li> <li>• Planning and progress in electrification of 168 schools</li> <li>• Planning and progress in the provision of sanitation to 214 schools</li> <li>• Planning and progress in the provision of water to 161 schools</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Backlogs should be dealt with by 2015/16</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R1 956 million, 2014/15: R3 170 million and 2015/16: R2 912 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments will be made according to verified invoices or advance payments in line with approved Memorandum of Agreements and Implementation Programme Management Plans from implementing agents</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Undertake planning of the processes, activities, and Accelerated School Infrastructure Delivery Initiative (ASIDI) programme policies required to realise the outputs and identify the resources that are required</li> <li>• Undertake the necessary procurement to secure the services of implementing agents, professional service providers, contractors and secondary procurement objectives to respond to the scope of work identified in the programme management plan</li> <li>• Actively manage the performance of personnel with expertise in the built environment, implementing agents, audit and/or verify the professional service providers and contractors to secure programme outputs and deliverables</li> <li>• Harness the opportunities offered through the programme to contribute towards skills development</li> <li>• DBE will convene and chair meetings of the National Senior Certificate (NSC) which will <ul style="list-style-type: none"> <li>– Provide strategic direction to the ASIDI Programme</li> <li>– Provide general oversight on the programme</li> <li>– Ensure that the management of the programme brings together those players responsible for different elements of project success and ensure a holistic approach in support of the programme</li> <li>– Ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to</li> <li>– Facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee</li> <li>– Establish the modalities linking the targeted provincial education departments (PEDs) with DBE</li> <li>– Supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved</li> <li>– Facilitate the linkages between national stakeholders such as the National Treasury, infrastructure delivery improvement plan (IDIP), Construction Industry Development Board (CIDB), Department of Human Settlements, Water Affairs, Energy and Public Works</li> <li>– Ensure ASIDI strategies and targets are in line with national goals and targets</li> <li>– Monitor progress in terms of national goals and targets</li> <li>– Assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee</li> <li>– Report to the Minister of DBE, Council for Education Ministers (CEM), Head of Education Department Committee (HEDCOM) and senior management</li> </ul> </li> <li>• The DBE must agree in writing with the provinces on projects that the DBE will administer on behalf of the province</li> <li>• Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the infrastructure delivery management toolkit. The department will develop a procurement strategy for this grant that will lead to the quickest possible achievement of the grant objectives which may require the clustering of projects across provincial boundaries</li> <li>• Submit approved infrastructure programme management plan including projects list to National Treasury</li> <li>• Ensure compliance with reporting requirements and adherence to projected cash flow schedules</li> <li>• Consolidate and submit quarterly reports to National Treasury and National Council of Provinces (NCOP) within 45 days after the end of each quarter</li> <li>• Conduct site visits to selected projects to assess performance</li> <li>• Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant</li> <li>• The DBE must ensure this committee meets at least once a month and is provided with sufficiently detailed reports to assess project implementation and projected cash flow schedules reconciled at the end of the month preceding the monthly meeting</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provide the list of schools to be included in the ASIDI programme</li> <li>• Ensure that the list of schools identified includes all the schools that are not constructed of appropriate materials in their entirety</li> <li>• Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity</li> <li>• Establish PPMTs that will provide support to the DBE when implementing projects funded by this grant</li> <li>• Convene the PPMTs and report to the NSC</li> </ul>
<b>Process for approval of the 2014/15 infrastructure Programme Management Plan</b>	<ul style="list-style-type: none"> <li>• Submission of Infrastructure Programme Management Plan for 2014/15 projects by 7 February 2014 by DBE to National Treasury</li> </ul>

<b>Technical Secondary Schools Recapitalisation Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To improve conditions of technical schools and modernise them to meet the teaching requirements of learners in the technical fields and increase the number of suitably qualified and technically skilled graduates from these schools</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To recapitalise up to 200 technical schools to improve their capacity to contribute to skills development and training in the country</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Implementation of the Skills Development Strategy III supported by training young people in relevant technical skills within the schooling system</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 31 new workshops to be built to support the technical subject offerings</li> <li>• 228 existing workshops refurbished, upgraded and re-designed to comply with safety laws and regulations and minimum industry standards</li> <li>• Equipment bought, delivered and installed at 267 workshops</li> <li>• 1 538 technical schools teachers trained in practical skills of the subject content delivery</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk management plan</li> <li>• Annual budget and resource allocation</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Implementation of the grant to be prioritised in the following order: (1) building of new workshops; (2) refurbishment, re-designing and upgrading of existing workshops; (3) buying, delivering and installing of equipment, machinery and tools as well as training of end-users by the suppliers; and (4) training of technical subjects teachers on new trends, practical skills and developments in their subjects</li> <li>• Three year provincial recapitalisation plans for technical schools must be submitted to and be approved by the Department of Basic Education (DBE)</li> <li>• Detailed procurement plans must accompany the business plans and these plans should be approved by the provincial department of education</li> <li>• Technical schools should develop detailed yearly (operational) business plans that must demonstrate how the approved funding would be spent</li> <li>• The grant outputs include: <ul style="list-style-type: none"> <li>– building of new workshops and the refurbishment of existing workshops in line with the approved technology subjects offered at the school</li> <li>– the building of new workshops must take into consideration the capacity of the school to deliver the subject, the number of learners taking the subject, and the throughput rate of the school within the subject</li> <li>– the design and structure of the new workshops must conform to the norms and standards for school infrastructure and may match the existing infrastructure (where applicable). The size of a workshop for each subject must be between 120 – 480 square metres</li> <li>– record of student enrolment and growth</li> <li>– access, equity and redress</li> </ul> </li> <li>• Recapitalisation funds and implementation (procurement, delivery and payment) to be managed at provincial level unless provinces have assurance that individual schools have the capacity, systems and controls to receive the funds directly for procurement and payment purposes and the DBE must be informed in this regard</li> <li>• The withdrawal of a participating school and inclusion of a new school is dependent on the complete recapitalisation of the withdrawn school and submission of a valid needs assessment of the new school. This must be approved by the head of the provincial department and the DBE must be informed of the action</li> <li>• Deviations of between 2 per cent and 5 per cent from category allocations in business plans must be authorised by the Director-General of DBE</li> <li>• Should the entire recapitalisation process not be completed within the stipulated timeframe, an additional six months will be added to complete the project. If the funds are not completely utilised they must be redirected to other schools within the same province</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The distribution of funds is based on the needs identified in the 2009 capacity audit and a valid needs assessment made by the province for a new school</li> </ul>

<b>Technical Secondary Schools Recapitalisation Grant</b>	
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Technical schools are not proportionally distributed across the provinces</li> </ul>
<b>Past performance</b>	<b>2011/12 audited financial outcomes</b> <ul style="list-style-type: none"> <li>• Allocated R210.5 million and transferred R210.5 million to provinces, and R151.8 million (72 per cent) was spent</li> </ul>
	<b>2011/12 service delivery performance</b> <ul style="list-style-type: none"> <li>• 23 of 42 new workshops built to support the technical subject offerings</li> <li>• 198 of 247 existing workshops refurbished, upgraded and re-designed to comply with safety laws and regulations and minimum industry standards</li> <li>• Equipment, machinery and tools bought, delivered and installed at 174 of 215 projected workshops</li> <li>• 554 technical school teachers trained in subject content delivery and new practical teaching methodologies</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• It is envisaged that the projects will be completed in three years (2013/14-2015/16)</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R221 million, 2014/15: R233 million and 2015/16: R244 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Three instalments (31 May 2013, 29 October 2013 and 28 January 2014)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>• Develop and submit approved national business plans to National Treasury</li> <li>• Evaluate, approve and submit provincial business plans to National Treasury</li> <li>• Provide the administrative services for the grant, manage, coordinate, monitor and support programme implementation</li> <li>• Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates</li> <li>• Ensure compliance with reporting requirements by providing consolidated monthly, quarterly and annual reports and other monitoring or diagnostic reports and reviews as required</li> <li>• Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury by 31 July 2013</li> <li>• Establish and strengthen partnerships with relevant stakeholders</li> </ul>
	<b>Responsibilities of the provincial departments</b> <ul style="list-style-type: none"> <li>• Develop and submit approved business plans and procurement plans/schedules to DBE</li> <li>• Assist schools in developing recapitalisation plans</li> <li>• Provide all relevant data required by the DBE such as supplier records, memoranda of understanding between schools and departments etc</li> <li>• Manage and implement the programme in line with the Division of Revenue Act (DoRA) and the Public Finance Management Act</li> <li>• Monitor and provide support to districts/regions and schools</li> <li>• Provide human resource capacity at all relevant levels</li> <li>• Evaluate the performance of the grant and submit evaluation reports to DBE by 31 May 2013</li> <li>• Establish and strengthen partnerships with relevant stakeholders</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• The first draft of the consolidated provincial business plans to be submitted to DBE for appraisal by 17 January 2014</li> <li>• The DBE team will meet to evaluate the consolidated business plans by 30 January 2014</li> <li>• The comments on the business plans will be sent to provinces for amendments by 13 February 2014</li> <li>• Provinces will be required to submit the provincially approved amended business plans to DBE by 7 March 2014</li> <li>• DBE will approve the final business plans by 24 March 2014</li> <li>• Director-General of DBE approves business plans to be submitted to the National Treasury by 28 March 2014</li> </ul>

## COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS GRANT

<b>Provincial Disaster Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To pro-actively respond to immediate needs after a disaster has occurred</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide for the immediate release of funds for disaster response</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Immediate consequences of disasters are a mitigated</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The impact of disasters is minimised</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the National Disaster Management Centre (NDMC) Provincial Disaster Grant Template which will include the following: <ul style="list-style-type: none"> <li>copy of the classification letter in terms of the Disaster Management Act</li> <li>copy of declaration of disaster in terms of the Disaster Management Act</li> <li>number of people affected</li> <li>items to be purchased</li> <li>support received from Non-Government Organisations (NGOs) and business</li> <li>funds required for disaster response</li> <li>the Provincial Disaster Management Centre (PDMC) and the provincial sector department must indicate funds spent or contributed towards dealing with the disaster</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>This grant may only be used to fund the following expenditure as per written request for funding from the PDMCs: <ul style="list-style-type: none"> <li>temporary structures and/or shelters that can be fully assembled within three months which may be required to ensure continued services as a result of damage caused by a declared disaster to critical infrastructure that provinces are responsible for providing and maintaining</li> <li>mobile classrooms or temporary structures during or after a declared disaster in the event that the Department of Education is unable to provide these</li> <li>large scale humanitarian and other relief that the national departments of Social Development, Health, Agriculture Forestry and Fisheries are not responsible for providing or unable to provide. Proof must be obtained from the relevant department</li> <li>temporary repairs to roads to ensure that communities are not cut off from services</li> </ul> </li> <li>Provinces must authorise expenditure on this grant through an adjustments budget if the expenditure occurs prior to the tabling of the province's adjustment budget or through a finance bill following the tabling of the annual report of the province for 2012/13</li> <li>Funds can only be released after a disaster has been declared in terms of the Disaster Management Act</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated based on the location of the declared disasters and an assessment of immediate needs</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant caters for response and emergency relief to unforeseen and unavoidable disasters</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant is expected to continue over the medium term but will be subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R188 million, 2014/15: R197 million and 2015/16: R204 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made subject to approval by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Strengthen their operations and organisational capacity as required to prevent and mitigate the impact of disasters</li> <li>Advise PDMCs about the existence of the grant and how grant funding must be applied for</li> <li>Perform assessments of disasters and verification of applications for funding as per the requirements of the Disaster Management Act</li> <li>Seek approval from National Treasury for disbursement of funds to provinces and provide written advice on the timing of disbursements to provinces and transfer these funds to provinces within five days of drawing the funds from the National Revenue Fund</li> <li>Notify the relevant provincial treasury of a transfer at least one day before transfer and transfer the funds no later than five days after notification</li> <li>Notify the relevant PDMC of a transfer and reason for transfer within one day of the transfer of funds to provinces</li> <li>Build relationships and establish the necessary communication channels with relevant national departments to ensure the country has a coordinated disaster response approach</li> <li>Provide a performance report to National Treasury within 45 days after the end of the quarter during which funds are spent</li> <li>Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant</li> </ul>

<b>Provincial Disaster Grant</b>	
	<b>Responsibilities of the provincial departments</b> <ul style="list-style-type: none"> <li>• Provide a performance report, within 30 days after the end of the quarter during which funds are spent, to the NDMC and relevant PDMC</li> <li>• Initiate requests for disaster funding when appropriate</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

## HEALTH GRANTS

<b>2014 African Nations Championship: Health and Medical Services Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To meet the government guarantees for the 2014 African Nations Championship</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide health and medical services for the 2014 African Nations Championship</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>To create a safe health environment during the 2014 African Nations Championship football tournament</li> <li>To bring health awareness to the games for all teams, officials, spectators and vendors attending the event in line with negotiated service delivery agreement</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Medical centres established with primary health care and emergency treatment capability at specific venues to provide medical services</li> <li>Provision of emergency medical services at international borders; motorcade routes; headquarters and team hotels; at stadia on match days; and during practice sessions</li> <li>Preparations for adequate forensic pathology services</li> <li>Preparations for mass gatherings and for the eventuality of mass casualties/deaths</li> <li>Command and control function provided</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the Service Level Agreement</b>	<ul style="list-style-type: none"> <li>This grant will use a service level agreement (SLA) which is signed by national Department of Health (DoH) and the relevant provinces hosting the African Nations Championship games and contains the following: <ul style="list-style-type: none"> <li>list of services to be provided</li> <li>monitoring and reporting requirements</li> <li>operational plan format</li> <li>key activities aiming to ensure adequate health and medical services at international borders; motorcade routes; headquarters and team hotels; within stadia on match days; during practice sessions; to ensure adequate forensic pathology services; and to ensure adequate preparations for the eventuality of mass casualties or mass death situations</li> <li>requirements for the provision of health awareness campaigns throughout the championship in line with the negotiated service delivery agreement</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>This is a grant-in-kind administered by the national Department of Health (DoH) allocated for the provision of health and medical services for the duration of the 2014 African Nations Championship</li> <li>Completion of the SLA in the prescribed format signed by each provincial department and DoH</li> <li>Provincial health departments must provide full and unrestricted access to DoH to all records and data relating to the championship</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The amount will be allocated equally to all host provinces</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The funding is earmarked for specific provinces hosting the 2014 African Nations Championship</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Not applicable</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Once off allocation for 2013/14 financial year</li> </ul>
<b>allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R6 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Payments will be made according to invoices submitted for the provision of the health and medical services during December 2013 and January 2014</li> </ul>
<b>Responsibilities of national transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Develop, in collaboration with relevant provincial health departments, a comprehensive operational plan on the provision of health and medical services for the tournament and submit to National Treasury</li> <li>Coordinate activities (planning, preparation and execution) of the provinces</li> <li>Coordinate oversight of the event (daily reporting)</li> <li>Compile and submit monthly reports on financial and non-financial matters to National Treasury no later than 20 days after the end of the month</li> <li>Prepare a post tournament report for the National Health Council</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>Coordinate activities (planning, preparation and execution) within the provinces</li> <li>Daily oversight of the event (daily reporting) and submit to DoH</li> </ul>
<b>Process for approval of 2014/15 Service Level Agreement</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>

<b>Comprehensive HIV and Aids Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The implementation of the national strategic plan on HIV, sexually transmitted infections (STIs) and tuberculosis (TB) 2012 – 2016</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To enable the health sector to develop an effective response to HIV and Aids including universal access to HIV counselling and testing (HCT)</li> <li>• To support the implementation of the national operational plan for comprehensive HIV and Aids treatment and care</li> <li>• To subsidise in-part funding for the antiretroviral treatment (ART) programme</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved coordination and collaboration in the implementation of comprehensive HIV and Aids grant between national, provincial and local government</li> <li>• Improved quality of HIV and Aids services including access to: <ul style="list-style-type: none"> <li>– HCT</li> <li>– ART</li> <li>– Home and community-based care (HCBC)</li> <li>– Prevention of TB in HIV positive people and prevention of mother-to-child transmission (PMTCT)</li> <li>– Medical male circumcision (MMC)</li> </ul> </li> <li>• Improved health workers' capacity at the three levels of care to ensure quality service delivery to South Africans</li> <li>• Reduced HIV incidence and prevalence</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of fixed public health facilities offering ART services</li> <li>• Number of new patients that started on ART</li> <li>• Total number of patients on ART remaining in care</li> <li>• Number of beneficiaries served by home-based caregivers</li> <li>• Number of active home-based carers receiving stipends</li> <li>• Number of male and female condoms distributed</li> <li>• Number of high transmission area (HTA) intervention sites</li> <li>• Number of antenatal care clients initiated on life-long ART</li> <li>• Number of babies' polymerase chain reaction tested at six weeks</li> <li>• Number of HIV positive clients screened for TB</li> <li>• Number of HIV positive patients that started on isoniazid preventive therapy</li> <li>• Number of active lay counsellors on stipends</li> <li>• Number of clients pre-test counselled on HIV testing (including antenatal)</li> <li>• Number of clients tested for HIV (including antenatal)</li> <li>• Number of health facilities offering MMC services</li> <li>• Number of MMCs performed</li> <li>• Sexual assault cases offered antiretroviral prophylaxis</li> <li>• Step down care (SDC) facilities/units</li> <li>• Doctors and professional nurses trained on HIV and Aids, STIs, TB and chronic diseases</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk management plans</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The following priority areas must be supported through the grant: 1. ART related interventions; 2. HCBC; 3. Condom distribution and HTA interventions; 4. Post exposure prophylaxis (PEP); 5. PMTCT; 6. Programme management strengthening; 7. Regional training centres; 8. SDC; 9. HCT; 10. MMC; 11. TB/HIV</li> <li>• Provinces must submit monthly financial reports and the monthly break-down report per sub-programme to the national Department of Health (DoH) by the 15th of the following month using standard formats as determined by the national department. An electronic version and/or a faxed hard copy signed by the provincial grant receiving manager, chief financial officer and the head of department must be submitted</li> <li>• Provinces must indicate all sources of funding for the programme in their business plans</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on antenatal HIV prevalence, estimated share of Aids cases, populations post-demarcation</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• HIV and Aids is a key national priority and requires a coordinated response for the country as a whole and this is most effectively achieved through a conditional grant</li> </ul>

<b>Comprehensive HIV and Aids Grant</b>	
<b>Past performance</b>	<p><b>2011/12 audited financial performance</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R6 051.8 million to provinces</li> <li>• Of the total available of R6 128.4 million (including provincial roll-overs), R5 999.5 million (97.9 per cent) was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 9 672 lay counsellors trained and providing services at service points</li> <li>• 100 per cent of facilities were providing HCT services</li> <li>• 10 million people received counselling and 98 per cent were tested for HIV, including pregnant women</li> <li>• 1.2 million beneficiaries had access to HCBC services by the end of March 2012</li> <li>• 3 194 health facilities offering ART services</li> <li>• 1.8 million patients were on ART</li> <li>• 601 high transmission intervention sites in operation</li> <li>• 98 per cent of new-born babies received Nevirapine</li> <li>• 99.9 per cent of PHC facilities offer PMTCT services</li> <li>• 371 756 MMCs performed</li> <li>• 392 million male condoms distributed</li> <li>• 6.3 million female condoms distributed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing in line with National Strategic Plan on HIV and Aids</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R10 534 million, 2014/15: R12 311 million, and 2015/16: R13 957 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly instalments based on the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Visit provinces twice a year to monitor implementation and provide support</li> <li>• Submit quarterly performance reports to National Treasury within 45 days of the end of the quarter</li> <li>• Meet with National Treasury to review performance of the grant</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department. Submit an electronic version and/or faxed hard copy signed by the provincial grant receiving manager and the chief financial officer</li> <li>• Clearly indicate measurable objectives and performance targets as agreed with the national department in provincial departmental plans for 2013/14 and over the MTEF</li> <li>• Submit risk management plans with final business plans</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provincial departments of health to sign and submit Business Plans to national DoH by 28 February 2014</li> <li>• DoH to sign and certify provincial business plans by 31 March 2014</li> </ul>

<b>Health Facility Revitalisation Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enable provinces to plan, manage, maintain and transform health infrastructure in line with national and provincial policy objectives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including: health technology, organisational design (OD) systems and quality assurance (QA)</li> <li>• Supplement expenditure on health infrastructure delivered through public-private partnerships</li> <li>• To enhance capacity to deliver health infrastructure</li> <li>• The Hospital Revitalisation component funds construction, upgrading or replacement of hospitals</li> <li>• The Nursing Colleges and Schools component funds the upgrading of nursing colleges and schools</li> <li>• The Health Infrastructure component funds improvements in all health facilities</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved service delivery by provincial departments as a result of an improved quality of health services</li> <li>• Improved quality and well maintained health infrastructure (backlog and preventative maintenance)</li> <li>• Improved rates of employment and skills development in the delivery of infrastructure</li> <li>• Value for money and cost effectively designed facilities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of health facilities, planned, designed, constructed, equipped, operationalised and maintained</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The business plan in this grant will be replaced by the Infrastructure Programme Management Plan (IPMP), the User Asset Management Plan (U-AMP), Annual Implementation Plan (AIP) and Infrastructure Programme Implementation Plan (IPIP) and will include the following: <ul style="list-style-type: none"> <li>– projects funded in 2013/14, 2014/15 and 2015/16</li> <li>– annual project milestones</li> <li>– quarterly cash flow projections per project for 2013/14</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The grant has three components: 1) Hospital Revitalisation, 2) Health Infrastructure and 3) Nursing Colleges and Schools</li> <li><b>Hospital Revitalisation component:</b> <ul style="list-style-type: none"> <li>• With the exception of funding for costs incurred for planning, all new projects commencing construction in 2013/14 must have business cases and Project Execution Plans (Project Briefs) approved before funds can be released for such projects</li> <li>• All the new projects should follow peer review stages as per prescribed formats incorporated in the Project Implementation Manual (PIM)</li> </ul> </li> <li><b>Nursing Colleges and Schools component:</b> <ul style="list-style-type: none"> <li>• With the exception of funding for costs incurred for planning, all new projects commencing construction in 2013/14 must have an IPIP approved before funds can be released for such projects</li> </ul> </li> <li><b>General conditions for all components:</b> <ul style="list-style-type: none"> <li>• Provincial Departments of Health (PDH) must submit 2013/14 AIP signed-off by the head of department (HOD) by 30 April 2013 to the national Department of Health (DoH) for approval</li> <li>• Provinces must implement projects in line with the approved AIP, as guided by PIM</li> <li>• The 2013/14 MTEF project list as captured in the IPMP and AIP should comply with the following allocations: <ul style="list-style-type: none"> <li>– minimum of 25 per cent of the grant allocation for maintenance of infrastructure</li> <li>– minimum of 25 per cent of the grant allocation for rehabilitation, refurbishment and repair, upgrades and additions of infrastructure</li> <li>– maximum of 50 per cent of the grant allocation should be allocated for new and replacement infrastructure</li> </ul> </li> <li>• Province may deviate from these allocation conditions if approval from DoH is obtained by 30 April 2013</li> <li>• Departments must submit the organisational structure of their infrastructure unit to DoH and National Treasury within 14 days of the Act taking effect. This structure is subject to the written approval of DoH and review</li> <li>• Prior to 30 September 2013, provinces must appoint public servants to their infrastructure units at Head Office or at maintenance hubs/workshops for facilities that are in line with the infrastructure delivery functions of the sector. Up to a maximum of R16 million of this grant may be utilised for compensation and goods and services for the newly appointed staff</li> <li>• Provinces must maintain up to date databases (Project Management Information System (PMIS), Infrastructure Reporting Model (IRM) and Register of Projects) of all contracts that are fully or partially funded by this grant, as required by section 13 of the Division of Revenue Act. The utilisation of PMIS is compulsory and must contain the latest project information</li> <li>• IRM infrastructure reports should be submitted by the 15<sup>th</sup> of every month to DoH</li> <li>• The quarterly manual reporting should be in place until the PMIS is up and running and it should be submitted to DoH 15 days after the end of each quarter</li> <li>• The provinces must convene a monthly Provincial Progress Review Committee with all Implementing Agents (IAs) for monitoring and oversight of the performance of all funded projects</li> <li>• The flow of the second instalment depends on the receipt by DoH of fourth quarter infrastructure</li> </ul> </li> </ul>

<b>Health Facility Revitalisation Grant</b>	
	<p>reports for the 2012/13 financial year captured on the IRM and the Planning IRM by 22 April 2013. These reports must be submitted to both Provincial Treasury and DoH</p> <ul style="list-style-type: none"> <li>• The flow of the third instalment is dependent upon receipt by DoH by 22 July 2013 of the: <ul style="list-style-type: none"> <li>– draft 2014/15 U-AMP to be submitted to DoH and relevant Provincial Treasury by 28 June 2013</li> <li>– first draft 2014/15 IPMP including the initial list of prioritised projects captured as well as the first quarter 2013/14 quarterly infrastructure report</li> <li>– signed-off first quarter 2013/14 quarterly infrastructure report captured on IRM and PMIS; and a signed off report from the Construction Industry Development Board (CIDB) register of projects showing at least 50 per cent of contracted projects; and operational maintenance plans, including Health Technology (HT), for every project reaching practical completion stage during quarter 2</li> <li>– 2014/15 project list, which must be drawn from the prioritised project list for the MTEF tabled in 2013/14. Changes to the MTEF prioritised list of projects must be motivated to DoH</li> </ul> </li> <li>• The flow of the fourth instalment is conditional upon the receipt by DoH by 28 October 2013 of the: <ul style="list-style-type: none"> <li>– signed off quarterly infrastructure reports for the second quarter captured on the IRM and the PMIS</li> <li>– operational maintenance plans including HT for every project, excluding maintenance projects, reaching practical completion stage during quarter 3 to DoH and relevant Provincial Treasury</li> </ul> </li> <li>• The flow of the fifth instalment is dependent upon receipt by DoH by 20 January 2014 of the: <ul style="list-style-type: none"> <li>– draft IPIPs from the relevant implementing agents for the 2014/15 projects</li> <li>– revised IPMP (second draft) incorporating the realistic cash flows for 2014 MTEF and detailed AIP Annual Implementation Plans for the 2014/15 financial year</li> </ul> </li> <li>• In instances where the capacity of the Provincial Public Works Department is deemed insufficient, Provincial Health Departments will be entitled to engage alternative Implementing Agents, provided that Supply Chain Management processes as prescribed in the Treasury Regulations for appointment of Service Providers are followed and that the implementing agent is registered in the Public Finance Management Act as a Schedule 2 or 3 entity</li> <li>• Provincial Health departments must enter into Service Delivery Agreements (SDAs) with their implementing agents. The development or review of the SDA should continue in parallel with the development of the IPMP and IPIP</li> <li>• Appropriately qualified built environment representatives from the provincial departments' Infrastructure Units must assist in the procurement of professional service providers and contractors by its implementing agent, through representation as a member on the Specification, Evaluation and Adjudication Committees of the implementing agent</li> <li>• All PDH must submit a procurement plan as per Infrastructure Delivery Management System (IDMS) for infrastructure compiled by the implementing agent and for health technology projects and submit to Provincial Treasury and DoH by the 22 April 2013 for the 2013/14 financial year</li> <li>• All the new Hospital Revitalisation projects for 2014/15 should follow Peer Review stages as per prescribed formats incorporated in the PIM</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations for 2013/14 are project based, but will increasingly be based on performance over the MTEF</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner, consistent with national norms, standards and guidelines for health facilities</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Hospital Revitalisation component: allocated and transferred R4 554 million (including rollovers). Of the total transferred, R4 194 million (92 per cent) was spent</li> <li>• Health Infrastructure component: Allocated and transferred R1 781 million (including rollovers). Of the total transferred, R1 654 million (93 per cent) was spent</li> <li>• Nursing Colleges and Schools component: no reporting information available as the grant started in 2012/13</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Hospital Revitalisation component: The following facilities were completed: Germiston hospital; Moses Kotane hospital; Vryburg hospital and Khayelitsha hospital</li> <li>• Health Infrastructure component: A total of 266 projects were completed. These included new facilities, renovations, upgrading, additions and replacements at clinics, Community Health Centres and hospitals</li> <li>• Nursing Colleges and Schools component: no reporting information available as the grant started in 2012/13</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Health is a key government priority and given the need to continually maintain health infrastructure and ensure that norms and standards are maintained, the grant will remain in place until at least the end of the 2013 MTEF</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R5 124 million, 2014/15: R4 739 million and 2015/16: R4 988 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Quarterly transfers</li> </ul>

<b>Health Facility Revitalisation Grant</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Conduct provincial site visits</li> <li>• Attend provincial Infrastructure Progress Review Meetings</li> <li>• Provide guidance to provinces in planning and prioritisation and evaluate U-AMP, IPMP, AIP and prioritised projects that provinces develop and submit</li> <li>• Submit monthly infrastructure reports to the National Treasury within 30 days of the end of each month</li> <li>• Submit quarterly performance reports to National Treasury, National Council of Provinces (NCOP) and National Health Council (NHC) within 45 days after the end of each quarter</li> <li>• Updating project implementation manual</li> <li>• Peer review and feedback processes should be undertaken timeously and within acceptable turnaround times</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial Departments must establish committees with the relevant IAs and hold monthly meetings (that are minuted) to review progress on the IPMP, IPIP and IDMS</li> <li>• Compile and submit comprehensive project progress reports to DoH, Provincial Treasury and National Treasury</li> <li>• Provinces must submit to DoH monthly and quarterly reports for all projects funded in the 2013/14 financial year in this grant through the PMIS and IRM. The total monthly expenditure on the PMIS and IRM must reconcile to the basic accounting system</li> <li>• Submit reports for each of the three grant components and for the total grant</li> <li>• Submit quarterly performance reports on approved template until such time the PMIS is up and running</li> <li>• PDHs must align infrastructure plans (U-AMP and IPMP) with their respective Service Transformation Plans, Strategic Plans and Annual Performance Plans</li> <li>• All projects in retention must be closed within 12 months of works completion</li> <li>• Adhered to all immovable asset management and maintenance responsibilities as prescribed by the Government Immovable Asset Management Act of 2007 and the Provincial IDMS</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Submission of draft 2014/15 UAMP to be submitted to DOH by 28 June 2013</li> <li>• Submission of first draft IPMPs for 2014/15 by PDH to Implementing Agents by 3 September 2013</li> <li>• Implementing Department(s) or Agent(s) must submit the first draft IPIP for 2014/15 to PDH by 29 November 2013</li> <li>• Submission of the first draft AIP by 20 January 2014</li> <li>• Submission of the final IPMP, U-AMP and IPIP for 2014/15 by PDHs to DoH by 28 February 2014</li> <li>• Submission of final budget allocations for 2014/15 by PDH to IAs by 28 February 2014</li> </ul>

<b>Health Professions Training and Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To contribute to the implementation of the national human resource plan for health through the clinical teaching and training of health professionals, in designated public health facilities in South Africa</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>Support provinces to fund service costs associated with training of health science trainees on the public service platform</li> <li>Co-funding of the national human resource plan for health in expanding undergraduate medical education for 2013 and beyond (2025)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Progressive realisation of the national human resource plan for health</li> <li>Clinical teaching and training capacity established in designated developmental provinces (Northern Cape, North West, Limpopo, Mpumalanga, Eastern Cape)</li> <li>Expanded provision of community service health professionals on the public service platform</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>All provinces must measure performance against the national human resource plan for health by monitoring the following categories of trainees on the health platform by their category, province and training institution: undergraduate health sciences trainees, postgraduate health sciences trainees (excluding registrars), registrars, community services health professionals and other health science trainees supervised on the public health service platform as per statutory requirements</li> <li>Provinces receiving a developmental portion (Northern Cape, North West, Limpopo, Mpumalanga and Eastern Cape) must also indicate the specific clinical teaching and clinical training personnel capacity established on the public health service platform by reporting on the number of health professionals recruited and retained for this function</li> <li>Clinical teaching and training capacity established as required on the public service platform in earmarked provinces (Northern Cape, North West, Limpopo, Mpumalanga, Eastern Cape)</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>A provincial business plan must have been submitted in the approved format by end February 2013</li> <li>Provinces to submit quarterly performance reports 30 days after the end of each quarter</li> <li>The service platform and accessing thereof for training need to be developed after consultation with the appropriate institutes for higher education</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Until further technical work is completed, allocations will be progressively recalibrated based on a uniform weighted cost per trainee per category, the historical approach derived from trainee distribution and funding towards approved developmental functions</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Provinces give effect to the national human resource strategy by training health science trainees on the public health service platform. This responsibility is for a national purpose. The service costs related to this function is influenced by the number of health science trainees and the nature of the health science programmes provided in each province. Coordination of the number of health science trainees to be trained and health trainee student programmes happens at a national level</li> <li>The clinical teaching and training capacity required differs across the various provinces</li> <li>The number and type of students trained for a national purpose differs across provinces</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated and transferred R1 977 million to provinces plus R24.9 million of 2010/11 roll-over from Eastern Cape. Final total of R2 000 million</li> <li>Of the total available R2 003 million (including provincial roll-overs), 100.2 per cent was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Provincial achievements in training and development by discipline: <ul style="list-style-type: none"> <li>29 640 medical students and professional nurse students</li> <li>2 350 registrars</li> <li>220 specialists</li> <li>119 registrars/specialists involved in outreach services</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will remain as long as health science trainees are trained on the public service health platform</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R2 190 million, 2014/15: R2 322 million and 2015/16: R 2 429 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly instalments</li> </ul>

<b>Health Professions Training and Development Grant</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Provide the guidelines, criteria and norms for the development, distribution and utilisation of the grant as well as approval of the provincial business plans</li> <li>• Monitor implementation and provide two support visits to provinces</li> <li>• Submit quarterly performance reports to National Treasury within 45 days of the end of each quarter</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submit monthly financial reports to the national Department of Health (DoH)</li> <li>• Quarterly reporting by provinces on the quarterly achievements against the outputs and targets as demonstrated in the business plan using the prescribed format must be submitted to DoH within 30 days of the end of each quarter</li> <li>• Annual evaluation performance report to contain details of outputs of this grant must be submitted to DoH by end of May 2013</li> <li>• The training platform and accessing thereof need to be developed after consultation with the appropriate institutes for higher education</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Business plans signed by the provincial head of department and approved by DoH as per developed format by end of February 2014</li> </ul>

<b>National Health Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>This grant has two components: (1) National Health Insurance (NHI) and (2) Health Facility Revitalisation</li> <li>To accelerate health sector improvement by strengthening the role of the National Department of Health in accelerating delivery of infrastructure particularly in order to assist provinces with weaker capacity and performance and in the preparatory phase of NHI</li> <li>As specified in the two component frameworks</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To address capacity constraints in the provinces and to create an alternate track to speed up infrastructure delivery</li> <li>To improve spending, performance, monitoring and evaluation on NHI pilots and infrastructure projects</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The provinces have not demonstrated capacity to deliver on these two components</li> <li>As specified in the two component frameworks</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>It is likely this will be a temporary grant. The NHI component will ultimately be phased into the NHI fund once established. The health facility revitalisation component will be progressively phased back to the provinces as provincial capacity improves</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R1 098 million and 2014/15: R2 100 million; 2015/16: R2 120 million of which the two components are: <ul style="list-style-type: none"> <li>National Health Insurance: 2013/14: R291 million, 2014/15: R420 million, 2015/16: R444 million</li> <li>Health Facility Revitalisation: 2013/14: R807 million, 2014/15: R1 680 million, 2015/16: R1 676 million</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly instalments</li> </ul>
<b>Responsibilities of the national transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>As specified in the two component frameworks</li> </ul>

<b>National Health Grant: Health Facility Revitalisation Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To plan, manage, maintain and transform health infrastructure in line with national and provincial policy objectives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including health technology, organisational systems (OD) and quality assurance (QA)</li> <li>• Supplement expenditure on health infrastructure delivered through public-private partnerships</li> <li>• To enhance capacity to deliver infrastructure in health</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved service delivery by provincial departments as a result of an improved and increased quality of health services</li> <li>• Improved quality and well maintained health infrastructure (backlog and preventative maintenance)</li> <li>• Improved rates of employment and skills development in the delivery of infrastructure</li> <li>• Value for money and cost effectively designed facilities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of health facilities, planned, designed, constructed, equipped, operationalised and maintained</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The business plan in this grant will be replaced by the Infrastructure Programme Management Plan (IPMP), Infrastructure Programme Implementation Plan (IPIP), Annual Implementation Plan (AIP) and Project Execution Plans (project briefs) which will include the following: <ul style="list-style-type: none"> <li>– costed project lists for 2013/14, 2014/15 and 2015/16</li> <li>– projected milestones</li> <li>– quality Management Plan</li> <li>– human Resource Plan</li> </ul> </li> </ul>
<b>Conditions:</b>	<ul style="list-style-type: none"> <li>• This grant component has three sub-components: Hospital Revitalisation, Health Infrastructure and Nursing Colleges and Schools</li> <li>• The national Department of Health (DoH) must, in consultation with the provinces, develop and submit within 30 days of the promulgation of the 2013 Division of Revenue Act, an intergovernmental agreement outlining how the new grant will operate and the responsibility and functions of each sphere, including a differential approach depending on provincial capacity and performance</li> <li>• This is a schedule 6A allocation (in-kind grant) administered by the DoH and it may be converted into an allocation in the Health Facilities Revitalisation Grant (in terms of section 20 of the Division of Revenue Act) and transferred to a province if the province is able to demonstrate, through proven track record, that it has the capacity to implement. The DoH must submit such assessments to National Treasury by 1 July 2013</li> <li>• Before commencing planning, implementation or spending on any project, the national Department of Health must seek written approval from the relevant province and must sign an agreement with the province on the respective responsibilities of each party. All agreements must be submitted to National Treasury by 31 May 2013. The agreements should also include: <ul style="list-style-type: none"> <li>– an indication of how projects will support the achievement of sector priorities</li> <li>– an indication of how projects are aligned to the strategic objectives and service transformation plans for provincial health departments</li> <li>– confirmation that operational budgets (i.e. personnel, equipment, etc.) and maintenance budgets are affordable and will be made available for all new assets constructed or acquired</li> </ul> </li> <li>• All budget allocations for projects must also take into consideration the grant components (i.e. Hospital Revitalisation, Health Infrastructure, and Nursing Colleges and Schools) that existed before grant reform as well as continuity of existing infrastructure projects</li> <li>• DoH must prepare an IPMP and IPIP which must include, inter alia, procurement strategies and plans, project cash flow schedules, a human resource plan and plans detailing the monitoring and evaluation of projects funded through this grant. These plans must be submitted to National Treasury by 31 May 2013 or a later date if approved by National Treasury</li> <li>• For Hospital Revitalisation projects, with the exception of funding for costs incurred for planning, all new projects commencing construction in 2013/14 must have business cases and a project execution plan (project brief) approved before funds can be released for such projects. All the new projects should follow peer review stages, as per prescribed formats, incorporated in the Project Implementation Manual (PIM)</li> <li>• DoH must submit monthly infrastructure reports on the physical and financial progress of projects to National Treasury within 30 days of the end of each month. Reports must include periodic photographic evidence of project progress in relation to the project status.</li> <li>• The provincial departments should report the progress of the projects under this grant in their annual reports and describe how these facilities have been considered in their future planning and budgeting</li> </ul>

<b>National Health Grant: Health Facility Revitalisation Component</b>	
	<ul style="list-style-type: none"> <li>DoH must maintain up to date databases (Project Management Information System (PMIS), Infrastructure Reporting Model (IRM) and Register of Projects) of all contracts that are fully or partially funded by this grant and must comply with the Construction Industry Development Board requirements</li> <li>DoH must convene monthly Progress Review Committee meetings with all Implementing Agents (IAs) and project managers for monitoring and oversight of the performance of all funded projects</li> <li>All completed projects must have a close out report with a documented maintenance plan</li> <li>All projects in retention must be closed within twelve months of practical completion</li> <li>National Treasury may request copies of any documentation and may withhold grant funding if there is non-compliance with any of the conditions above</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations for 2013/14 are project and performance based</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Funding infrastructure through an indirect conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner that is consistent with national norms, standards and guidelines for health facilities</li> </ul>
<b>Past performance</b>	<b>2011/12 audited financial outcomes</b> <ul style="list-style-type: none"> <li>New grant</li> </ul>
	<b>2011/12 service delivery performance</b> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Health is a key government priority and given the need to continually maintain health infrastructure and ensure that norms and standards are maintained, the grant will remain in place until at least the end of the 2013 MTEF</li> </ul>
<b>MTEF allocations</b>	2013/14: R807 million, 2014/15: R1 680 million, 2015/16: R1 676 million
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly payments made according to verified invoices reconciled against projected schedule of cash flows</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>Build and demonstrate the capacity necessary to manage this grant. This must be outlined in the Human Resource Plan</li> <li>DoH must ensure that infrastructure plans are aligned to the respective Service Transformation Plans, Strategic Plans and Annual Performance Plans and must take cognisance of existing infrastructure projects in provinces</li> <li>Undertake the full infrastructure development cycle for all the projects (or as otherwise agreed with provinces) under the grant and management thereof, with all the necessary planning and documentation required above</li> <li>Appoint project level supervision via professional teams for level 2 and level 4 supervision on single or a cluster of projects depending on the nature and complexity of projects, for all projects under this grant as well as provincial direct grants</li> <li>Implement and manage project management and progress review meetings and reporting</li> <li>Submit all monthly and annual progress and performance reporting on infrastructure, HT, HR and QA in line with the above conditions</li> <li>Collaboration and coordination with provincial departments for the full development cycle of infrastructure development in respect of projects funded by this grant</li> <li>Quality assurance and organisational development aspects of Hospital Revitalisation must involve skilled professionals in these fields</li> </ul>
	<b>Responsibilities of the provincial departments</b> <ul style="list-style-type: none"> <li>Provinces will provide all the available information, data and other available and necessary documents in respect of the projects under this grant to DoH</li> <li>Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant by the DoH</li> <li>All immovable asset management and maintenance responsibilities of the completed projects under this grant as prescribed by the Government Immovable Asset Management Act of 2007 rests with the Provinces</li> </ul>
<b>Process for approval of the 2014/15 Annual Implementation plans</b>	<ul style="list-style-type: none"> <li>Submission of the initial drafts of the IPMPs, IPIPs and AIP for the 2014 MTEF by 24 January 2014</li> </ul>

<b>National Health Grant: National Health Insurance Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To strengthen aspects of the public healthcare system in preparation for National Health Insurance (NHI)</li> <li>• To strengthen the design of NHI based on innovating testing of new reforms in pilot sites</li> <li>• A public health care system that is better prepared to implement reforms necessary for NHI</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To develop and implement innovative models for contracting general practitioners within selected NHI pilot districts</li> <li>• To identify and test alternative reimbursement models for central hospitals in readiness for the phased implementation of NHI</li> <li>• To support central hospitals in strengthening health information systems and revenue management</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Appropriate and innovative models for contracting general practitioners (GPs) within selected NHI pilot districts identified and tested</li> <li>• Alternative reimbursement mechanism(s) for central hospitals identified</li> <li>• Strengthened information systems and revenue management at central hospitals</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Innovative models for the contracting of general practitioners within selected NHI pilot districts</li> <li>• Models for strengthening information, management systems, reimbursement mechanisms and revenue management in central hospitals</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The Service Level Agreements (SLAs) and the business plan for the NHI component will include information on the following: <ul style="list-style-type: none"> <li>– outcome indicators</li> <li>– output indicators</li> <li>– key activities and resource schedule</li> <li>– monitoring and evaluation plan</li> <li>– cash flow requirements for 2013/14</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The national Department of Health (DoH) will establish two National Technical Task Teams (NTTT). The first will plan, implement, monitor and evaluate all projects for the contracting of general practitioners within selected NHI pilot districts. The second NTTT will coordinate and oversee the work on central hospitals</li> <li>• Provincial Departments of Health must appoint one representative to each of the NTTTs</li> <li>• DoH must, in consultation with the provinces, develop and submit by 30 May 2013, more detailed documentation outlining how the new grant will operate, its systems and rules and the responsibility and functions of each sphere</li> <li>• Implementation of, or spending on, any project in a provincial facility, may only take place if DoH has signed an SLA with the provincial Department of Health on the respective responsibilities of each party with respect to that project in accordance with section 238 of the Constitution and the allocation of functions and powers in the National Health Act (2003)</li> <li>• DoH must enter into a Service Level Agreement (SLA) with the relevant provincial Department of Health regarding the contracting of general practitioners in accordance with the Public Service Act (1994) as amended, or the applicable procurement prescripts, as the case may be. The SLA must include information on the availability of facilities and equipment for general practitioners to deliver specified services, the recruitment and placement of general practitioners in facilities, contract management arrangements and the determination and piloting of reimbursement mechanisms for general practitioners. Any proposed changes to the SLA(s) must be formally approved by DoH</li> <li>• Should any province opt to not enter into an SLA in order to undertake this work on their own, they must demonstrate, through a proven track record, that they have the capacity to implement the projects as determined by the relevant NTTT. Once requested in writing, DoH must undertake capacity assessments by 1 July 2013 and on the basis of this make the necessary decisions with respect to Section 20 of the Division of Revenue Act (DoRA)</li> <li>• Project level administrative expenditure must not exceed a maximum of 3 per cent of the total grant funding. No activity that is linked to the responsibility of DoH that falls outside this scope may be funded through this grant</li> <li>• The grant must be used to achieve the objectives of the following areas: <ul style="list-style-type: none"> <li>– development and testing of innovative models for contracting general practitioners within selected NHI pilot districts</li> <li>– identification of the most appropriate alternative reimbursement mechanism/s for central hospitals</li> <li>– strengthening information systems and revenue management at central hospitals</li> <li>– other areas approved in consultation with the National Treasury</li> </ul> </li> <li>• The 10 central hospitals included in this arrangement for 2013/14 are as follows: <ul style="list-style-type: none"> <li>– Charlotte Maxeke Academic Hospital (Gauteng)</li> </ul> </li> </ul>

<b>National Health Grant: National Health Insurance Component</b>	
	<ul style="list-style-type: none"> <li>– Steve Biko Academic Hospital (Gauteng)</li> <li>– Dr George Mukhari Academic Hospital (Gauteng)</li> <li>– Chris Hani Baragwanath Academic Hospital (Gauteng)</li> <li>– Universitas Academic Hospital (Free State)</li> <li>– Inkosi Albert Luthuli Academic Hospital (KwaZulu-Natal)</li> <li>– King Edward VIII (KwaZulu-Natal)</li> <li>– Groote Schuur Academic Hospital (Western Cape)</li> <li>– Tygerberg Hospital (Western Cape)</li> <li>– Nelson Mandela Academic Hospital (Eastern Cape)</li> </ul> <ul style="list-style-type: none"> <li>• Final business plan for the grant for 2013/14 must be submitted to the National Treasury within 14 days after the Act takes effect, incorporating operational plans for GP contracting and central hospitals</li> <li>• Monthly and quarterly financial and performance reporting must be submitted to the National Treasury. Financial reporting must include spending per province. The Treasury may require specific changes to the format and content of such reports and business plans</li> <li>• The Department of Health must put in place an evaluation strategy using independent external experts to evaluate the interventions funded through this grant</li> <li>• The National Treasury may, following written notice, withhold allocations if problems identified with the grant are not satisfactorily addressed</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Central hospitals will be evaluated in terms of the capacity of their information systems and readiness to test alternative reimbursement mechanisms</li> <li>• Clinics with the greatest need for general practitioners and where general practitioners are willing to work in the facility will be prioritised</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The lack of sufficient capacity at provincial level to pilot GP contracting and revenue management in central hospitals</li> <li>• The importance of central coordination in development of models and the establishment of NHI to inform ongoing NHI designs</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial performance</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Subject to policy developments that will be finalised as part of the implementation of National Health Insurance</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R291 million, 2014/15: R420 million and 2015/16: R444 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments will be made according to verified invoices or advance payments in line with approved Programme Implementation Plans from the service providers</li> <li>• Monthly instalments which may be altered at the discretion of the National Treasury based on invoices paid</li> </ul>
<b>Responsibilities of the national transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Convene and chair all meetings of the NTHTs and provide meeting reports to National Treasury</li> <li>• Submit approved SLAs, supporting project plans and lists to the National Treasury</li> <li>• Create the necessary organisational structures and build capacity within the Department to implement, oversee and monitor the execution of all approved projects</li> <li>• Provide the guidance and support for innovative arrangements of engaging public and private sector providers, including methods of contracting (types of contracts and payment mechanisms)</li> <li>• Manage, monitor and support programme implementation in provinces, selected pilot districts and selected central hospitals including regular visits to project sites</li> <li>• Submit monthly financial and performance reports to National Treasury 22 days after the end of the month</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Include in the Annual Performance Evaluation Report of the grant required by the Division of Revenue Act the lessons learnt, including failures experienced and how these lessons will inform the design of future interventions</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Ensure compliance with all reporting requirements and adherence to SLAs</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• DoH to submit first draft SLAs and supporting project plans to National Treasury by end of December 2013</li> <li>• DoH must submit final SLAs and supporting project plans to National Treasury by 28 February 2014</li> </ul>

<b>National Health Insurance Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Through the selected pilot sites in health districts:               <ul style="list-style-type: none"> <li>- improve service delivery platform</li> <li>- strengthen the performance of the public health system in readiness for the full roll-out of National Health Insurance (NHI)</li> </ul> </li> <li>• A more viable NHI design based on experience at pilot sites</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Test innovations in health services provision for implementing NHI, allowing for each district to interpret and design innovations relevant to its specific context</li> <li>• To undertake health system strengthening initiatives</li> <li>• To assess the feasibility, acceptability, effectiveness and affordability of innovative ways of engaging private sector resources for public purposes</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Strengthened resource and administrative management systems and capacity of the selected districts including enhanced managerial autonomy, delegation of functions and accountability in districts</li> <li>• Strengthened coordination and integration of services within pilot districts, especially in the areas of planning, supply chain management, monitoring and evaluation and referral systems</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• New primary care delivery models including ward based teams, district specialists and school health services established and evaluated</li> <li>• Improved supply chain management systems and processes to support efficient and effective provision of health services within the district</li> <li>• Enhanced district capacity in the areas of district health planning and monitoring and evaluation</li> <li>• A rational referral system based on a re-engineered primary health care platform with a particular focus in rural and previously disadvantaged areas</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Key activities</li> <li>• Monitoring and evaluation plan</li> <li>• Cash flow requirements</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Given the formation of the new NHI grant and amended allocations, National Department of Health (DoH) in consultation with the provinces, must within one month of enactment of the Division of Revenue Act (DoRA), review the focus areas, targets and business plans for this grant for 2013/14 and adjust these accordingly for submission to the National Treasury within 45 days after the Act takes effect</li> <li>• For the purpose of district interventions, funding from this grant to provinces will be on the basis that DoH approves the business plans for each of the selected pilot districts</li> <li>• The grant must be used to achieve the objectives of the following components as is relevant to the specific district:               <ul style="list-style-type: none"> <li>- health systems strengthening and performance improvement</li> <li>- enhanced service packages at the primary health care level and improved referral systems</li> <li>- improved supply chain management systems and processes to support efficient and effective health services provision within the district</li> <li>- enhanced district capacity in the areas of planning and monitoring and evaluation</li> <li>- strengthened referral system based on a re-engineered primary health care platform with a particular focus in rural and previously disadvantaged areas</li> </ul> </li> <li>• DoH must commission independent external expert evaluation of the progress and effectiveness of interventions tested in the pilot districts</li> <li>• The ten pilot districts selected for 2013/14 are:               <ul style="list-style-type: none"> <li>- OR Tambo (Eastern Cape)</li> <li>- Thabo Mofutsanyana (Free State)</li> <li>- Tshwane (Gauteng)</li> <li>- uMzinyathi (KwaZulu-Natal)</li> <li>- uMgungundlovu (KwaZulu-Natal)</li> <li>- Vhembe (Limpopo)</li> <li>- Gert Sibande (Mpumalanga)</li> <li>- Pixley ka Seme (Northern Cape)</li> <li>- Dr Kenneth Kaunda (North West)</li> </ul> </li> </ul>

<b>National Health Insurance Grant</b>	
	<ul style="list-style-type: none"> <li>- Eden (Western Cape)</li> <li>• The selected districts must comply with the stipulated provisions relating to monitoring and evaluation of progress in relation to agreed performance indicators as outlined in approved business plans</li> <li>• The selected districts must allocate funding towards monitoring and evaluation, including research/impact assessment of selected interventions</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The selection of the pilot districts considers demography, population epidemiology, managerial capacity at district and facility level, and overall district health system performance</li> <li>• Each district is allocated the same amount</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The implementation of NHI will be undertaken through a phased approach over a 14 year period. A conditional grant enables effective roll-out of the NHI pilots and allows the Department's direct oversight over the pilot sites and the activities thereof</li> </ul>
<b>Past performance</b>	<b>2011/12 audited financial performance</b>
	<ul style="list-style-type: none"> <li>• New grant</li> </ul>
	<b>2011/12 service delivery performance</b>
	<ul style="list-style-type: none"> <li>• New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Subject to policy developments that will be finalised as part of the implementation of NHI</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R49 million and 2014/15: R70 million; 2015/16: R74 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Quarterly instalments</li> </ul>
<b>Responsibilities of the national transferring officer and receiving officer</b>	<b>Responsibilities of the national department</b>
	<ul style="list-style-type: none"> <li>• Provide the guidelines, criteria and norms for the development, distribution and utilisation of the grant as well as approval of the description of the interventions in the relevant business plans</li> <li>• Provide the guidance and support to provinces and selected pilot districts on innovative arrangements of engaging public and private sector providers, including methods of contracting (types of contracts and payment mechanisms)</li> <li>• Monitor implementation of pilot projects including visits to provinces and selected districts</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Facilitate a partnership with the provinces in the selection of the pilot districts and monitoring and evaluation of interventions in order to ensure their experiences inform further NHI design work</li> <li>• Determine the interventions that will be implemented in each of the selected pilot districts</li> <li>• Include in the annual performance evaluation of the grant required by the 2013 DoRA the lessons learnt, including failures experienced and how these lessons will inform the design of future interventions</li> <li>• Present detailed progress report on the performance of all ten pilot districts at National Treasury quarterly conditional grants meetings</li> </ul>
	<b>Responsibilities of the provincial departments</b>
	<ul style="list-style-type: none"> <li>• Submit monthly financial reports to DoH within 20 days after the end of each month</li> <li>• Quarterly reporting by provinces on the quarterly achievements of selected pilot districts against the outputs and targets as stipulated in the approved business plans using the prescribed format. Reports must be submitted to DoH within 30 days after the end of each quarter</li> <li>• Annual Performance Evaluation Report containing details of outputs of this grant must be submitted to DoH by the end of May 2014</li> <li>• Each province must demonstrate evidence of the scalability of the interventions and frameworks developed from the interventions to other districts</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• DoH will communicate to provinces in writing additional pilot districts by 1 October 2013 that will be funded through the grant in 2014/15, should a decision be reached to increase the number of pilot sites</li> <li>• Provinces to submit first draft plans for selected pilot sites by the end of November 2013</li> <li>• Provinces to submit second draft business plans for selected pilot sites by 7 February 2014</li> <li>• Provinces must submit final business plans for selected pilot districts by 28 February 2014</li> </ul>

<b>National Tertiary Services Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform in line with a national tertiary services plan</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Ensure provision of tertiary health services for all South African citizens</li> <li>• To compensate tertiary facilities for the costs associated with provision of these services including cross boundary patients</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Modernised and transformed tertiary services that allow for improved access and equity to address the burden of disease</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Provision of designated central and national tertiary services (T1, T2 and T3) in 26 hospitals/complexes as agreed between the province and the national Department of Health (DoH)</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses a service level agreement (SLA) which is signed by each province and contains the following: <ul style="list-style-type: none"> <li>– national guidelines on definitions of tertiary services that may be funded by the grant</li> <li>– designated tertiary services funded by the grant, by facility in each province</li> <li>– target of inpatient separations, inpatient days, day patient separations, outpatient first visits, outpatient follow up visits per facility per year</li> <li>– monitoring and reporting</li> <li>– validation and revision of data</li> <li>– deviations or changes to tertiary services</li> <li>– referral responsibilities</li> <li>– business plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Completion of SLA in the prescribed format signed by each provincial department or receiving officer, and the transferring national officer by 28 February 2013</li> <li>• The grant must contribute a maximum of 85 per cent of each tertiary hospital/complex budget</li> <li>• Provinces must gazette hospital/complex specific allocations to individual hospitals/complexes as per SLA, by end of 30 April 2013</li> <li>• Institutions receiving the grant must report on expenditure and patient activity monthly, in the prescribed format, to the provincial department</li> <li>• Provinces must maintain a separate budget for each of the 26 benefiting hospitals/complexes</li> <li>• Institutional budget letters, in the approved format, must be provided by the province to the DoH by 31 January 2014 for inclusion in the SLA</li> <li>• Provinces must inform DoH of each benefiting hospital/complex equitable share allocation by 30 April 2013</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Based on historical allocation, spending patterns and motivations from facilities</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• There are significant cross boundary flows associated with tertiary services due to their specialised nature. Tertiary hospitals are a national asset requiring collective agreement and governance</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R8 048 million to provinces</li> <li>• Of the total available R8 092 million (including provincial roll-overs), 99.68 per cent was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Provincial tertiary services performance was measured against the Service Level Agreements (SLAs) and the total patient activity rendered is as follows: <ul style="list-style-type: none"> <li>– 592 829 inpatient separations</li> <li>– 3.4 million inpatient days</li> <li>– 242 741 day patient separations</li> <li>– 956 079 outpatient first visits</li> <li>– 2.7 million outpatient follow up visits</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Support for tertiary services will continue because of the need for sustaining and modernising tertiary services</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R9 620 million, 2014/15: R10 168 million, and 2015/16: R10 636 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly instalments as per approved payment schedule</li> </ul>

<b>National Tertiary Services Grant</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Revise and assess framework for SLAs prior to transfer of funds</li> <li>• Establish and maintain a national tertiary services plan</li> <li>• Monitor expenditure and patient activity and provide on-site support to facilities and provinces</li> <li>• Conduct two support visits to each province and hospitals/complexes</li> <li>• Submit quarterly performance reports to National Treasury within 45 days of the end of each quarter</li> <li>• Establish a national strategic forum to discuss strategic matters related to the grant, including the development of a national tertiary services plan</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submit quarterly reports to DoH which must include the following: <ul style="list-style-type: none"> <li>– cost of compensation of employees by staff category (Medical, Nursing, Allied and Other)</li> <li>– cost of goods and services</li> <li>– cost of capital</li> <li>– cost of Modernisation of Tertiary Services (MTS) where applicable</li> <li>– cost of Quality Improvement Plans (QIPs)</li> <li>– patient utilisation data (inpatient separations, inpatient days, day case separations, outpatient first visits, outpatient follow up visits) as per the prescribed format</li> </ul> </li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Completion of SLA, in the prescribed format, signed by each receiving officer, and the transferring national officer by 28 February 2014</li> <li>• Provision of institutional budget letters, in the approved format, must be provided by the province to the DoH by 31 January 2014</li> </ul>

## HIGHER EDUCATION AND TRAINING GRANT

<b>Further Education and Training Colleges Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Department of Higher Education and Training (Vote 17)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The successful transfer of the Further Education and Training (FET) college functions to the Department of Higher Education and Training (DHET)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To ensure the successful transfer of the FET college function to the DHET</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>FET Colleges offer approved programmes in support of skills development according to the norms and standards for funding FET colleges</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Transfer of FET colleges management staff to DHET finalised</li> <li>Transfer of non-management staff to DHET finalised</li> <li>Secondment of Provincial Education Department (PED) Staff to DHET finalised</li> <li>Post provisioning model for FET colleges finalised</li> <li>Implementation of the funding norms and standards for FET colleges</li> <li>Implementation of the new programme cost for funding FET colleges</li> <li>Monitor the support of FET colleges by PEDs</li> <li>Implementation of 37 per cent in lieu of benefits for FET colleges</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 5: A skilled and capable workforce to support an inclusive growth path</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses a provincial implementation protocol which is signed by the Minister of DHET and the MECs of the PEDs</li> <li>Provincial implementation protocol signed by the Director-General and the heads of PEDs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The funding of some of the outputs of this grant will depend on the priority set for each college within available funding</li> <li>The verified compensation of employees data (Persal) linked to the student enrolment plan of FET colleges will be used as a guideline for allocating the grant to each college. Any upward deviation from these enrolments must be funded by the college or entity causing such deviation</li> <li>A portion of the grant per province calculated on the basis of 5.3 per cent of the total Persal compensation of employees is to be withheld pending the finalisation of the labour negotiations in the Education Labour Relations Council (ELRC) and General Public Service Sector Bargaining Council (GPSSBC)</li> <li>Unspent compensation of employees at year end must be transferred to FET colleges</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The verified compensation of employees data will be the basis for allocating the grant allocation as per programme five in PEDs as set out in the revised 2013 Medium Term Expenditure Framework (MTEF)</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To prepare for the shifting of the FET College function to an exclusive national competence</li> </ul>
<b>Past performance</b>	<p><b>2011/12 Audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated and transferred R4 375 million to provinces. Of the total allocated, R4 615 million (105 per cent) was spent</li> </ul> <p><b>2011/12 Service delivery performance</b></p> <ul style="list-style-type: none"> <li>1 031 Management Staff trained towards improved management skills</li> <li>289 new classrooms built and 382 upgraded</li> <li>222 new workshops built and 168 upgraded</li> <li>332 admin/student support centres upgraded</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The projected life will be determined by the legislative process that needs to take place to give effect to the shifting of the FET college function to the DHET</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R2 443 million, 2014/15: R2 600 million and 2015/16: R2 759 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Eleven monthly instalments based on the programme allocation to each college less 5.3 per cent of the total compensation of employee costs per annum. The balance to be paid as soon as labour agreement for 2013/14 is signed</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Transfer the grant allocation to provincial treasuries as per the approved payment schedule</li> <li>Convene the technical task team for funding norms to oversee the implementation of the grant</li> <li>Convene the national task team meetings to manage and monitor the transition of college functions from provincial education departments to DHET</li> <li>Manage the FET conditional grant according to the implementation protocol training</li> <li>Provide framework for the development of college operational and strategic plans</li> <li>Monitor the grant according to approved college operational plans and budgets</li> <li>Consolidate and submit quarterly performance reports to National Treasury 45 days after the end of the quarter being reported on</li> <li>To monitor the utilisation of the grant against the set outcomes and to take appropriate action if cases of non-compliance</li> <li>Establish provincial level institutional support to FET Colleges</li> <li>Evaluate the performance of the conditional grant for the 2012/13 financial year and submit an evaluation report to National Treasury by 31 July 2013</li> </ul>

<b>Further Education and Training Colleges Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Support the process of giving effect to the provincial implementation protocol with the DHET</li> <li>• Ensure provincial officials who are currently supporting FET college functions to continue such support</li> <li>• Confirm to DHET in writing the total of the unspent amount at the end of the financial year</li> <li>• Provide the DHET with the consolidated monthly financial report not later than the 15th of each month</li> <li>• Provide the DHET with the consolidated quarterly report within 20 days of the end of each quarter</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• The implementation protocols between the minister and MECs, as well as the Director-General and heads of department will remain in effect until such time that all functions are transferred to DHET</li> </ul>

## HUMAN SETTLEMENTS GRANT

<b>Human Settlements Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The creation of sustainable human settlements that enables an improved quality of household life</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide funding for the creation of sustainable human settlements</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>The facilitation and provision of access to basic infrastructure, top structures and basic social and economic amenities that contribute to the creation of sustainable human settlements</li> <li>Improved rates of employment and skills development in the delivery of infrastructure</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of residential units delivered in each housing programme</li> <li>Number of serviced sites delivered in each housing programme</li> <li>Number of finance linked subsidies approved and disbursed</li> <li>Number of households in informal settlements provided with household access to services/upgraded services</li> <li>Number of hectares of well located land acquired and/or released for residential development</li> <li>Number of work opportunities created through related programmes</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Outputs</li> <li>Cash flow (payment schedule)</li> <li>Quarterly reporting</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Funds for this grant will only be released upon sign off by the national department of provincial business plans consistent with local and provincial human settlements development plans, national human settlements development priorities and the national housing code</li> <li>Provinces may, if a proven need exists, utilise up to 5 per cent of the provincial allocation for the Operational Capital Budget Programme (OPSCAP) to support the implementation of the projects as contained in the business plan</li> <li>The Minister of Human Settlements may identify, approve and provide funding for a project as a priority project upon pronouncement by the President, Cabinet, the Minister and/or Human Settlements MinMEC</li> <li>To expedite the completion and implementation of the priority projects, the provincial departments of Human Settlements must allocate the stipulated amounts from the provincial grant allocation per project as indicated below: <ul style="list-style-type: none"> <li>– Eastern Cape: Duncan Village: R109.8 million</li> <li>– Gauteng: Khutsong: R96 million</li> <li>– Gauteng: Lufhereng: R182.9 million</li> <li>– Gauteng: Diepsloot: R91.5 million</li> <li>– Gauteng: Sweet Waters: R45.7 million</li> <li>– KwaZulu-Natal: Cornubia: R120.7 million</li> <li>– Limpopo: Lephalale: R291.6million</li> <li>– Western Cape: Drommedaris: R62.7 million</li> </ul> </li> <li>The priority project allocation for Lephalale may, in consultation with the municipality, the national Department of Human Settlements and the National Treasury, provide for bulk and link infrastructure that supports human settlements development</li> <li>Provinces must make budget allocations consistent with provincial and related municipal backlogs to the Informal Upgrading Support Programme, Rental Housing Programmes and the Finance Linked Individual Subsidy Programme</li> <li>Where municipalities have been accredited with the housing functions at level 1 and 2, the provincial business plan must reflect relevant allocations and related targets and outputs for those municipalities which must be gazetted in terms of section 10(9) of the 2013 Division of Revenue Act (DoRA)</li> <li>Where targets are revised and/or budget shifted a revised business plan must be submitted to the national department, by the relevant provincial department, within 30 days of the tabling of the Provincial Adjustment Budget</li> <li>Funds have been added to this grant for the repair of infrastructure damaged by floods in January and February 2011. The provisional allocations have been made for 2013/14 for the same purpose in the provinces listed below. Should the cost of repairing the affected infrastructure exceed the amounts earmarked below, provinces may not fund any such shortfalls out of the remaining allocation of this conditional grant. The following amounts per province must be used for the repair of infrastructure damaged by the natural disaster declared in Government Gazette 33949 and as assessed by the National Disaster Management Centre: <ul style="list-style-type: none"> <li>– Eastern Cape: R94.1 million</li> <li>– Free State: R73.2 million</li> <li>– Gauteng: R0.06 million</li> </ul> </li> </ul>

<b>Human Settlements Development Grant</b>	
	<ul style="list-style-type: none"> <li>– KwaZulu-Natal: R51.7 million</li> <li>– Limpopo: R35.6 million</li> <li>– Mpumalanga: R0.6 million</li> <li>– Northern Cape: R17.1 million</li> <li>– North West: R26.3 million</li> </ul> <ul style="list-style-type: none"> <li>• In the event that the following metropolitan municipalities are assigned level 3 accreditation during 2013/14, the national department will be required to allocate funds to these municipalities based on the sector allocation formula used for the Human Settlements Development Grant. The national department will make provision to be able to transfer the following indicative amounts, depending on projects ceded by provinces, directly to the stated municipalities once the municipalities are assigned with the housing function in terms of Level 3 accreditation: <ul style="list-style-type: none"> <li>– Nelson Mandela 2013/14: R206.9 million</li> <li>– Ekurhuleni 2013/14: R933.8 million</li> <li>– Johannesburg 2013/14: R1 314 million</li> <li>– Tshwane 2013/14: R788.6 million</li> <li>– eThekweni 2013/14: R878.4 million</li> <li>– Cape Town 2013/14: R733.4 million</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The grant is apportioned into a 80/20 split as follows: <ul style="list-style-type: none"> <li>– 80 per cent is allocated to provinces in terms of the sector approved formula</li> <li>– 20 per cent is allocated by the national department to supplement the funding of social and rental housing, informal settlement upgrading, land and national priority programmes</li> <li>– the provincial allocations to municipalities accredited to level one and level two accreditation will be made on a basis that is consistent with the Accreditation Framework</li> <li>– an interim allocation basis will consider the current approved projects budgets running in the municipalities accredited to levels one and two</li> <li>– funds for informal settlement upgrading in rapidly urbanising mining towns are not subject to the allocation formula above, but subject to the planning process through the National Upgrading Support Programme and approval of detailed settlement upgrading and transformational plans as maybe agreed between the respective province and municipality by the national department</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• A conditional grant enables the national department to provide effective oversight, ensure compliance with the National Housing Code and Outcome 8</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R14 941.5 million to provinces</li> <li>• R14 446.4 million (96.7 per cent) was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 116 056 housing units completed</li> <li>• 56 697 serviced sites completed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• It is a long term grant of which the exact life span cannot be stipulated as government has an obligation to assist the poor with the provision of human settlements</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R16 984 million, 2014/15: R17 918 million, and 2015/16: R19 667 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly instalments as per the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Approve the national and provincial business plans and compliance certificate</li> <li>• Monitor provincial, financial and non-financial grant performance and control systems related to the human settlements conditional grant</li> <li>• Provide support to provinces with regards to human settlements delivery as may be required</li> <li>• Undertake structured and other visits to provinces as is necessary</li> <li>• Facilitate regular interaction between national and provincial departments of human settlements</li> <li>• Submit an annual evaluation report for 2012/13 on the performance of the grant to National Treasury by 31 July 2013</li> <li>• Evaluate the audited provincial annual reports for submission to National Treasury by 13 December 2013</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Provide systems (Housing Subsidy System) that support the administration of the human settlement delivery process</li> <li>• Comply with the responsibilities of the national transferring officer outlined in the 2013 DoRA</li> </ul>

<b>Human Settlements Development Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submit final provincial business plans, project lists including cash flow projections and compliance certificates to the national department by 14 February 2014</li> <li>• Submit 2012/13 annual evaluation reports on their performance to the national department by 31 May 2013</li> <li>• Submit 2012/13 audited annual reports to the national department by 27 September 2013</li> <li>• Support accredited municipalities in carrying out delegated functions as per the Accreditation Framework</li> <li>• Provinces must utilise the Housing Subsidy System (HSS) for the administration and related performance reporting of all the human settlement delivery programme and processes</li> <li>• Ensure effective and efficient utilisation of the HSS by municipalities</li> <li>• Comply with the responsibilities of the receiving officer outlined in the 2013 DoRA</li> <li>• Comply with the terms and conditions of the national performance agreements and provincial and local delivery agreements</li> <li>• The monthly expenditure report, as contemplated in section 12(3) of the 2013 DoRA and section 40(4)(c) of the Public Finance Management Act (PFMA), must be submitted by the 15<sup>th</sup> of every month for the preceding month</li> <li>• The monthly DoRA expenditure and quarterly reports must be signed by both the Head of Department and the relevant provincial treasury</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• First draft provincial business plans for 2014/15 financial year to be submitted to the national department by 29 November 2013</li> <li>• Submit final provincial business plans, project lists including cash flow projections and compliance certificates for 2014/15 financial year to the national department by 10 February 2014</li> <li>• Submit approved 2014/15 provincial and national plan to National Treasury by 31 March 2014</li> </ul>

## PUBLIC WORKS GRANTS

<b>Expanded Public Works Programme Integrated Grant for Provinces</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Public Works (Vote 7)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To provide Expanded Public Works Programme (EPWP) funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines:               <ul style="list-style-type: none"> <li>road maintenance and the maintenance of buildings</li> <li>low traffic volume roads and rural roads</li> <li>other economic and social infrastructure</li> <li>tourism and cultural industries</li> <li>sustainable land based livelihoods</li> </ul> </li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities</li> <li>Reduced levels of poverty</li> <li>Contribute towards increased levels of employment</li> <li>Improved opportunities for sustainable work through experience and learning gained</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Increased number of people employed and receiving income through the EPWP</li> <li>Increased average duration of the work opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 4: Decent employment through inclusive economic growth</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>The grant uses a national implementation plan which outlines the following:               <ul style="list-style-type: none"> <li>planned EPWP projects per sector and per province (including the project budgets, planned outputs and full-time equivalent jobs target)</li> <li>coordinating and/or governance structures that will support implementation</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Eligible provincial departments must submit a final EPWP project list to the national Department of Public Works (DPW) by 30 April 2013</li> <li>EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by DPW and the ministerial determination</li> <li>Eligible provincial departments must sign a funding agreement, with their final EPWP project list attached, with the DPW before the first grant disbursement</li> <li>Provincial departments must report quarterly on all EPWP projects via DPW's EPWP reporting system</li> <li>Reports must be loaded on the EPWP reporting system within 22 days of the end of every quarter in order for progress to be assessed</li> <li>Provincial departments must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual</li> <li>The EPWP grant cannot be used for departmental personnel costs; however, a maximum of 5 per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods</li> <li>The EPWP grant can only be utilised for EPWP purposes, for the projects approved in each provincial department's EPWP project list</li> <li>To receive the first planned grant disbursement, eligible provincial departments must:               <ul style="list-style-type: none"> <li>submit a final EPWP project list by 30 April 2013</li> <li>sign a grant agreement with DPW before the first grant disbursement</li> </ul> </li> <li>Subsequent grant disbursements are conditional upon eligible provincial departments:               <ul style="list-style-type: none"> <li>reporting on EPWP performance quarterly within the required timeframes</li> <li>implementing their approved EPWP project list as planned towards the agreed job creation targets</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>To be eligible for an EPWP grant allocation in the 2013/14, a provincial department must have reported EPWP performance (in either the infrastructure or environment and culture sector) by 22 October 2012</li> <li>The EPWP grant allocations are based on: EPWP performance in the past 18 months; the potential of provincial departments to create work with their baseline budgets; the need for EPWP work in an area indicated by levels of unemployment, poverty and service backlogs; and a capacity allocation to support provincial departments to meet the EPWP reporting requirements</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key geographic regions</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Payments on the EPWP infrastructure incentive grant was made to the following provinces in the 2011/12 financial year:               <ul style="list-style-type: none"> <li>Eastern Cape: R20.7 million</li> <li>Free State: R12 million</li> <li>Gauteng: R0.435 million</li> <li>KwaZulu-Natal: R149.5 million</li> </ul> </li> </ul>

<b>Expanded Public Works Programme Integrated Grant for Provinces</b>	
	<ul style="list-style-type: none"> <li>- Limpopo: R28 million</li> <li>- Mpumalanga: R13 million</li> <li>- Northern Cape R0.758 million</li> <li>- Western Cape: R1.1 million</li> </ul> <ul style="list-style-type: none"> <li>• A total of R225.5 million was disbursed to eligible provincial departments</li> </ul>
	<p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 226 517 work opportunities were reported by provincial departments in the infrastructure, and environment and culture sectors. 66 584 full time equivalent (FTE) jobs were reported by provincial departments in these sectors</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant scheduled to continue until the end of the 2013/14 financial year, subject to review. The allocations for 2014/15 and 2015/16 are provisional and subject to cabinet's decision on the continuation of the programme beyond 2014</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R356 million, 2014/15: R371 million and 2015/16: R382 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Three instalments per annum (15 May 2013, 15 August 2013 and 15 November 2013) <ul style="list-style-type: none"> <li>- 40 per cent of the allocation will be disbursed on 15 May 2013</li> <li>- a further two payments of 30 per cent each are planned for 15 August 2013 and 15 November 2013</li> </ul> </li> </ul>
<b>Responsibilities of the national transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department of public works</b></p> <ul style="list-style-type: none"> <li>• Determine eligibility and set grant allocations and FTE targets for eligible provincial departments</li> <li>• Publish on the EPWP website all documents relevant for provincial departments to understand and implement the grant, including a grant manual, the relevant EPWP guidelines and the ministerial determination</li> <li>• Support provincial departments, in the manner agreed to in the funding agreement to: identify suitable EPWP projects, develop EPWP project lists in accordance with the EPWP project selection criteria, apply the EPWP project selection criteria and EPWP guidelines to project design, report using the EPWP reporting system</li> <li>• Monitor the performance and spending of provincial departments and assess progress towards implementing their EPWP project lists</li> <li>• Disburse the grant to eligible provinces</li> <li>• Report quarterly to National Treasury on progress against FTE targets and spending against the grant allocation</li> <li>• Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement</li> <li>• Manage the EPWP coordinating structures to support implementation, identify blockages and facilitate innovative solutions</li> <li>• Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP web-based system</li> </ul>
	<p><b>Responsibilities of the eligible provincial departments</b></p> <ul style="list-style-type: none"> <li>• Develop and submit an EPWP project list to the national DPW by 30 April 2013</li> <li>• Sign the standard funding agreement with DPW agreeing to comply with the conditions of the grant before receiving any grant disbursement</li> <li>• Agree on the areas requiring technical support from DPW upon signing the grant agreement</li> <li>• Report on all EPWP projects into the EPWP reporting system and update progress quarterly in accordance with the reporting requirements and timelines stipulated in the grant agreement</li> <li>• Provincial departments must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPW for data quality assessment tests</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provincial departments must report on performance of EPWP projects for the 2012/13 financial year by 22 April 2013; or report on second quarter 2013/14 performance by 22 October 2013 to be eligible for a grant allocation</li> <li>• Provincial departments must submit draft 2014 EPWP project lists to DPW by the end of April 2014</li> <li>• Eligible provincial departments must sign the standard funding agreement with an approved 2014 EPWP project list by the end of April 2014</li> </ul>

<b>Social Sector Expanded Public Works Programme Grant for Provinces</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Public Works (Vote 7)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To increase job creation through the expansion of the Social Sector Expanded Public Works Programme (EPWP)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To incentivise provincial social sector departments identified in the 2012 Social Sector EPWP log-frame to increase job creation by focusing on the strengthening and expansion of social service programmes that have employment potential</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved service delivery to communities by expanding the reach and quality of social services</li> <li>Improved quality of life of unemployed people through employment creation and increased income</li> <li>Reduced levels of poverty</li> <li>Contribute towards decreased levels of unemployment</li> <li>Improved opportunities for sustainable work through experience and learning gained</li> <li>Strengthened capacity of non-government delivery partners through increased access to funds for training, wages and administration</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Increased number of people employed and receiving income through the EPWP</li> <li>Increased duration of the work opportunities created</li> <li>Increased number of households and beneficiaries to which services are provided</li> <li>Increased income per EPWP beneficiary</li> <li>Increased number of people with augmented wages</li> <li>Increased number of people who received training</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 4: Decent employment through inclusive economic growth</li> <li>Outcome 5: A skilled and capable workforce to support an inclusive growth path</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Provincial departments must submit to the national Department of Public Works (DPW) signed-off EPWP targets and budgets for the 2013/14 financial year as part of the EPWP annual log frame planning process by 26 April 2013</li> <li>Provincial departments must submit to DPW signed-off business plans on how to achieve these EPWP targets by 15 April 2013</li> <li>Provincial departments must report both conditional grant and equitable share EPWP expenditure on the monthly In-Year-Monitoring (IYM) tool in accordance with section 32 of the Public Finance Management Act</li> <li>Provincial departments must sign an incentive agreement with DPW by 15 April 2013 to comply with the conditions and obligations of the grant</li> <li>Reports must be loaded on the EPWP integrated reporting system within 22 days of the end of every quarter</li> <li>Provincial departments must adhere to the audit requirements stipulated in the EPWP incentive manual</li> <li>The incentive grant allocation must be used to expand job creation programmes in the social sector</li> <li>The incentive grant allocation must be used to fund the following priority areas: <ul style="list-style-type: none"> <li>to provide stipends to unpaid volunteers at R66.97 per day and further adjustments as per the ministerial determination for EPWP workers and the prescripts of the Department of Labour</li> <li>to expand Social Sector EPWP programmes as identified in the EPWP Social Sector log-frame</li> <li>to create additional work opportunities</li> </ul> </li> <li>A minimum of 80 per cent of the incentive allocation must be used to pay stipends or wages</li> <li>Of this 80 per cent, at least 35 per cent must be used for the creation of work opportunities for persons not previously employed in the relevant programme</li> <li>The balance of the overall incentive allocation must be used for capacity-building at the implementation level or the standardisation of wages</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>To be eligible for an incentive allocation in 2013/14, a provincial department must have: <ul style="list-style-type: none"> <li>reported EPWP performance by 22 April 2012 for an incentive allocation to be calculated based on 2011/12 performance</li> <li>reported EPWP performance by 22 October 2012 for an incentive allocation to be calculated based on quarter 1 and quarter 2 performance in 2012/13</li> <li>must have met at least 45 per cent of their full time equivalent (FTE) target for the 2011/12 financial year and quarter 1 and quarter 2 of the 2012/13 financial year</li> </ul> </li> <li>Each provincial department's performance is assessed against a set of EPWP performance indicators to determine the size of the incentive allocations for those years. These are: <ul style="list-style-type: none"> <li>targeted number of FTEs per provincial department</li> <li>beneficiary profile consisting of 2 per cent persons with disabilities</li> </ul> </li> </ul>

<b>Social Sector Expanded Public Works Programme Grant for Provinces</b>	
	<ul style="list-style-type: none"> <li>– beneficiary profile consisting of 40 per cent youth</li> <li>– beneficiary profile consisting of 55 per cent female beneficiaries</li> <li>– 10 per cent of days worked spent in training</li> <li>– average duration of 100-day work opportunities</li> <li>– minimum daily wage of R66. 97 per person’s day of work</li> <li>• Incentive allocations to each provincial department are based on their past performance score [per cent] x the number of FTEs created x FTE Reward [R66.97 per day x 230 days]. These allocations are adjusted due to a shortfall in the total allocation for all the provincial departments, but are in line with the ministerial determination for EPWP workers</li> <li>• Provincial grant allocations for the two outer years are indicative and will be revised based on the performance of each province</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The incentive allocation is based on the performance of programmes in a prior financial year and use of the allocation is specifically earmarked for EPWP programme expansion</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R199.7 million (99.7 per cent) spent on overall allocation</li> <li>• 10 683 FTEs created</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 91 873 households serviced</li> <li>• 1 838 not for profit organisations (NPOs) administratively supported</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R257.6 million, 2014/15: R272.9 million and 2015/16: R285.5 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Three instalments (6 May 2013, 12 July 2013 and 11 October 2013)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department of public works</b></p> <ul style="list-style-type: none"> <li>• Determine the eligibility of provincial departments, set job creation targets and performance measures and calculate incentive allocations</li> <li>• Revise an incentive manual that will provide provincial departments with standard information on the rules of the incentive programme, its application, monitoring and evaluation information and audit regulations</li> <li>• Develop an incentive agreement outlining the requirements of the incentive grant and ensure that each provincial department signs the agreement by 15 April 2013</li> <li>• Reach agreement with national sector departments on their roles in ensuring effective implementation of the incentive grant by 15 April 2013</li> <li>• Support provincial departments to develop plans to meet job creation targets</li> <li>• Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP integrated reporting system</li> <li>• Monitor the performance of provincial departments and the use of the incentive grant against the conditions in the framework and report to National Treasury on monthly and quarterly progress</li> <li>• Audit the final performance of provincial departments after the end of the financial year</li> <li>• Report quarterly to provincial departments on projected eligibility for the incentive grant in the following year</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Identify the employment and expansion potential of departmental Social Sector EPWP programmes and develop plans for maximising job creation and service delivery expansion</li> <li>• Submit and obtain approval for the required programme expansion plans to DPW to show how targets will be achieved</li> <li>• Sign the standard incentive agreement with DPW agreeing to comply with the conditions and obligations of the incentive grant before receiving any incentive payment</li> <li>• Report EPWP performance onto the EPWP integrated reporting system and update progress monthly and quarterly in accordance with the reporting requirements in the incentive agreement</li> <li>• Provide data on the use of the incentive grant on a quarterly basis in the format and manner prescribed by DPW</li> <li>• Maintain beneficiary and payroll records as specified in the audit requirements of the EPWP</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provincial departments report performance on Social Sector EPWP programmes for the 2012/13 financial year by 22 April 2013</li> <li>• Provincial departments report performance on Social Sector EPWP programmes for quarter 1 and quarter 2 of the 2012/13 financial year by 22 October 2013</li> <li>• Performance in 2011/12 and performance in quarter 1 and quarter 2 of 2012/13 will determine the targets and incentive allocations for 2014/15</li> <li>• Provincial departments participate in the planning exercise from December to January each year and submit their business plans and targets to DPW during this process in the format required</li> <li>• DPW to distribute the incentive agreements in May every year</li> <li>• Provincial departments sign the incentive agreement with DPW by 15 April 2014 and agree to comply with the conditions and obligations of the incentive grant</li> </ul>

## SPORT AND RECREATION SOUTH AFRICA GRANT

<b>Mass Participation and Sport Development Grant</b>																	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Sport and Recreation South Africa (Vote 20)</li> </ul>																
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Increasing citizens' access to sport and recreation activities</li> </ul>																
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders</li> </ul>																
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased and sustained participation in sport and recreation</li> <li>• Improved sector capacity to deliver sport and recreation</li> </ul>																
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• School sport supported</li> <li>• Community sport and recreation participation</li> </ul>																
<b>Priority outcome of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship</li> </ul>																
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>																
<b>Conditions</b>	<p><b>Provincial compliance:</b></p> <ul style="list-style-type: none"> <li>• Provincial departments responsible for sport and recreation are required to: <ul style="list-style-type: none"> <li>– ensure that the measureable objectives and performance indicators of the conditional grant (as agreed to by Sport and Recreation South Africa (SRSA) are reflected in the respective provincial departments annual performance plan for 2013/14</li> <li>– submit a signed business plan to SRSA by 15 March 2013</li> <li>– enter into a formal agreement with SRSA after the approval of their business plans prior to the start of the financial year by 28 March 2013</li> <li>– not use this grant on projects falling outside the scope of the grant unless prior written request and approval to such effect is granted by SRSA</li> <li>– only procure equipment and attire from the transversal contracts as determined by SRSA in conjunction with provinces</li> <li>– procure, store, and maintain branding material for display by provinces at SRSA funded events – including Division of Revenue Act (DORA) related activities – in the respective provinces, as per SRSA specifications</li> <li>– submit monthly financial reports (IYM) and monthly breakdown reports per sub programme to SRSA 15 days after the end of the month, using the standard format as determined by SRSA. An electronic version and faxed hard copy signed by the Chief Financial Officer and Head of Department of the respective province must be submitted</li> <li>– appoint staff on a long-term or permanent basis (at a cost not exceeding 6 per cent of the total grant allocated to the respective province) for the coordination of school sport, club, hub, academy and sport council programmes</li> <li>– provinces will endeavour to create community structures within the same local municipalities to contribute to seamless service delivery in SRSA priority codes</li> <li>– ensure that all structures are aligned to the SRSA priority codes</li> <li>– ensure that 50 per cent of the clubs and hubs established must be from rural and farm areas</li> <li>– adhere to all financial prescripts as contained in the PFMA</li> </ul> </li> </ul> <p><b>Financial allocation:</b></p> <ul style="list-style-type: none"> <li>• The conditional grant must be utilised according to the following allocation: <table style="margin-left: 20px;"> <tbody> <tr> <td>– employment of permanent staff</td> <td style="text-align: right;">6 per cent</td> </tr> <tr> <td>– branding</td> <td style="text-align: right;">0.5 per cent</td> </tr> <tr> <td>– district and Provincial academies</td> <td style="text-align: right;">3.5 per cent</td> </tr> <tr> <td>– provincial Sports Councils</td> <td style="text-align: right;">3 per cent</td> </tr> <tr> <td>– school sport</td> <td style="text-align: right;">40 per cent</td> </tr> <tr> <td>– hubs</td> <td style="text-align: right;">20 per cent</td> </tr> <tr> <td>– club development</td> <td style="text-align: right;">20 per cent</td> </tr> <tr> <td>– provincial programmes</td> <td style="text-align: right;">7 per cent</td> </tr> </tbody> </table> </li> </ul> <p><b>School Sport:</b></p> <ul style="list-style-type: none"> <li>• Provinces must ring fence R8 million to provide transport, accommodation, meals, attire and support for the delivery of provincial teams to national sport tournaments hosted by SRSA</li> <li>• The remaining school sport allocation must be allocated in the following proportions: <ul style="list-style-type: none"> <li>– 20 per cent to support the training of educators and school volunteers</li> <li>– 10 per cent to purchase equipment for disadvantaged schools identified through participation in leagues</li> <li>– 5 per cent to purchase attire for disadvantaged schools identified through participation in leagues</li> </ul> </li> </ul>	– employment of permanent staff	6 per cent	– branding	0.5 per cent	– district and Provincial academies	3.5 per cent	– provincial Sports Councils	3 per cent	– school sport	40 per cent	– hubs	20 per cent	– club development	20 per cent	– provincial programmes	7 per cent
– employment of permanent staff	6 per cent																
– branding	0.5 per cent																
– district and Provincial academies	3.5 per cent																
– provincial Sports Councils	3 per cent																
– school sport	40 per cent																
– hubs	20 per cent																
– club development	20 per cent																
– provincial programmes	7 per cent																

<b>Mass Participation and Sport Development Grant</b>	
	<ul style="list-style-type: none"> <li>- 20 per cent to deliver district and provincial competitions</li> <li>- 10 per cent to support the implementation of sport focus schools</li> <li>- 15 per cent to remunerate circuit coordinators who coordinate and support the delivery of school sport programmes and monitor and evaluate at a local level</li> <li>- 15 per cent to support school sport structures</li> <li>- 5 per cent for administration costs</li> </ul> <ul style="list-style-type: none"> <li>• provinces based on their provincial dynamics may apply to the Director-General to change the above sub-allocations</li> </ul> <p><b>Community sport and recreation</b></p> <p>Hubs:</p> <ul style="list-style-type: none"> <li>• provinces must ring fence R3 million per province for Youth Camps</li> <li>• The remaining hubs allocation must be allocated in the following proportions: <ul style="list-style-type: none"> <li>- 35 per cent for sport and recreation promotion programmes</li> <li>- 10 per cent to purchase equipment</li> <li>- 20 per cent to purchase attire</li> <li>- 5 per cent for Minister's outreach programmes</li> <li>- 20 per cent for training</li> <li>- 10 per cent for administration costs</li> </ul> </li> <li>- provinces based on their provincial dynamics may apply to the Director-General to change the above sub-allocations</li> </ul> <p>Club development:</p> <ul style="list-style-type: none"> <li>• The portion of the grant ring fenced for club development must be used in the following proportions: <ul style="list-style-type: none"> <li>- 25 per cent for training in the following sport administration, coaching, technical officiating and team management</li> <li>- 45 per cent for tournaments and league fixtures</li> <li>- 15 per cent to purchase equipment</li> <li>- 5 per cent to purchase attire</li> <li>- 10 per cent for administration costs</li> </ul> </li> <li>- provinces based on their provincial dynamics may apply to the Director-General to change the above sub-allocations</li> </ul> <p>District and provincial academies:</p> <ul style="list-style-type: none"> <li>• 3.5 per cent of the total conditional grant (allocated to the respective province) must be used for the establishment and development of academies in line with SRSA guidelines</li> </ul> <p>Transfers to sports councils and academies:</p> <ul style="list-style-type: none"> <li>• Provinces may transfer funds allocated for provincial sports councils and academies for purposes of implementation of work plans of such bodies</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Funds are distributed among provinces on the basis of a baseline allocation of R20 million, a needs analysis, and the provincial equitable share formula</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• A conditional grant is necessary to ensure national coordination, monitoring and facilitation</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R452 million to provinces</li> <li>• Of the total available of R466 million (including provincial roll-overs), R447.7 million (96 per cent) was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Number of people trained in sport and development: 7 836</li> <li>• Number of mass mobilisation campaigns held: 341</li> <li>• Number of people participating in the programme: 3 442 817 people participated in schools and community hubs and clubs</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing subject to review as agreed with National Treasury</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R498 million, 2014/15: R526 million and 2015/16: R550 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments (30 April 2013, 30 August 2013, 29 November 2013 and 30 January 2014)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Submit the 2012/13 annual evaluation report to National Treasury by 30 July 2013</li> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2014/15 by 13 September 2013</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation and provide support</li> <li>• Submit quarterly performance reports to National Treasury within 45 days of the end of each quarter</li> <li>• Ensure that all the conditional grant practice notes issued by National Treasury are adhered to</li> </ul>

<b>Mass Participation and Sport Development Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submit the 2012/13 annual evaluation report to SRSA by 31 May 2013</li> <li>• Submit monthly reports as per the requirements contained in the DORA</li> <li>• Submit quarterly performance reports (as per operational plans) to SRSA within 30 days of the end of each quarter</li> <li>• Monitor progress of the grant implementation</li> <li>• Ensure that provincial grant managers attend all the national conditional grant meetings</li> <li>• Ensure that capacity exists to manage the grant and that there is a grant manager responsible for the grant</li> <li>• Ensure organisational capacity to deliver on the programme</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces to provide draft business plans to SRSA by 8 November 2013</li> <li>• SRSA evaluates draft business plans by 2 December 2013</li> <li>• Comments sent to provinces by 10 December 2013</li> <li>• Provinces to submit revised business plans to SRSA by 15 January 2014</li> <li>• SRSA to approve revised business plans by 13 February 2014</li> <li>• Heads of departments (HoDs) to submit signed business plans to SRSA by 14 March 2014</li> <li>• SRSA to sign project implementation agreements and business plans with Provincial HoDs by 4 April 2014</li> <li>• SRSA to submit approved business plans to National Treasury by 11 April 2014</li> </ul>

## TRANSPORT GRANTS

<b>Provincial Roads Maintenance Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To ensure efficient investment in provincial roads to implement the Road Infrastructure Strategic Framework of South Africa (RISFSA) in line with the S'hamba Sonke Road Programme and other related road infrastructure asset management programmes</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To supplement provincial investments for preventative, routine, emergency maintenance and road rehabilitation of provincial road networks; ensure all roads are classified as per RISFSA and the Road Classification and Access Management (RCAM) guidelines by end of 2013/14; and implement and maintain road asset management systems</li> <li>To supplement provincial projects for the repairs to roads and bridges damaged by the natural disaster; declared in Government Gazette 33949 and as assessed by the National Disaster Management Centre</li> <li>To improve the state of the coal haulage network</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Provincial Road Asset Management System is utilised as the primary source for the planning (prioritisation and selection) of all road infrastructure projects submitted for Provincial Road Maintenance Grant (PRMG) funding; excluding the disaster response and coal haulage roads</li> <li>Improve the condition and lifespan of the assets (provincial roads), thereby reducing the vehicle operating costs on provincial road networks as well as time in transit</li> <li>Improved rates of employment and skills development through the delivery of road infrastructure projects</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Road classification processes 100 per cent completed and geographical information systems (GIS) are updated (spatial maps and records) for all roads in South Africa by all provinces by the end of 2013/14</li> <li>Extent of network serviced by Routine Road Maintenance Teams</li> <li>Number of lane-kilometres of surfaced roads rehabilitated</li> <li>Number of lane-kilometres of surfaced roads resealed</li> <li>Number of kilometres of gravel roads re-gravelled</li> <li>Number of m<sup>2</sup> of blacktop patching (including pothole repairs)</li> <li>Number of kilometres of gravel roads bladed</li> <li>Number of kilometres of surfaced roads assessed (Visual Condition Index (VCI's) completed as per Technical Methods for Highways (TMH) 12)</li> <li>Number of kilometres of gravel roads assessed (VCI's completed as per TMH 9)</li> <li>Number of weighbridges maintained and calibrated to South African Bureau Standards (SABS)</li> <li>Number of work opportunities (jobs) created</li> <li>Number of youths (aged 18 – 35) employed</li> <li>Number of women employed</li> <li>Number of people living with disabilities employed</li> <li>Number of full time equivalents (FTEs) jobs created</li> <li>Number of graduates provided with experiential internships</li> <li>Number of graduates provided with experiential training and assisted to register with Engineering Council of South Africa (ECSA)</li> <li>Number of emerging contractor development opportunities created</li> <li>Rehabilitation and repair of roads and bridges damaged by floods</li> <li>Rehabilitation of coal haulage roads</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses a Road Asset Management Plan, which contains the following details: <ul style="list-style-type: none"> <li>level of service</li> <li>network condition and traffic volumes</li> <li>project lists for 2014/15 to 2016/17 with a summary of targets as per Key Performance Indicators (KPIs) for preventative, routine, emergency maintenance and road rehabilitation works</li> <li>financial summary</li> <li>organisational and support plan</li> <li>job creation</li> <li>emerging contractor opportunities</li> <li>linkages to socioeconomic activities and opportunities</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Provinces may use a maximum of R10 million from the PRMG, subject to approval from the national Department of Transport (DoT), for: <ul style="list-style-type: none"> <li>the completion of road classification and updating of the GIS spatial maps and records for all roads in South Africa by end of 2013/14</li> <li>VCI's and ensuring that Provincial Road Asset Management Systems are kept up to date</li> </ul> </li> <li>The funding (up to a maximum of R10 million) may be used for the appointment of mainly public servants to their infrastructure units and technical consultants for limited purposes to provide support to their infrastructure units. These appointments, including the formal</li> </ul>

<b>Provincial Roads Maintenance Grant</b>	
	<p>qualifications and relevant work experience of the public servants/technical consultants must be relevant to the full functioning of an infrastructure unit, with regards, the maintenance of provincial Road Asset Management Systems. This funding is allocated as part of a capacity support and is available until the 2014/15 financial year</p> <ul style="list-style-type: none"> <li>• Provinces must report all infrastructure expenditure partially or fully funded by this grant on the Infrastructure Reporting Model provided by the National Treasury</li> <li>• Provinces must maintain up to date databases of all contracts that are fully or partially funded by this grant that is compliant with the Register of Projects and i-Tender system</li> <li>• Provinces must submit visual condition inspection data to the national data repository as per format determined by the Committee of Transport Officials (COTO), Road Asset Management System (RAMS) Technical Sub-Committee and prescribed by the national DoT</li> <li>• For RISFSA Class R1, R2 and R3 data collection requirements are: <ul style="list-style-type: none"> <li>– visual condition data not older than two years for pavements and five years for bridges</li> <li>– instrumental pavement data for roughness, rut depth and macro texture not older than two years</li> <li>– instrumental pavement data for structural strength not older than five years</li> <li>– traffic data not older than three years</li> </ul> </li> <li>• For RISFSA Class R4 and R5 data requirements are: <ul style="list-style-type: none"> <li>– visual condition data not older than three years for pavements and five years for bridges</li> <li>– instrumental pavement data for roughness, rut depth and macro texture not older than four years on paved roads</li> <li>– traffic data not older than five years</li> </ul> </li> <li>• Up to a maximum of R1000 per km per year for paved roads and R500 per km per year for gravel roads of the grant may be allocated towards the road classification and collection of data required by this grant. Provinces that lack the capacity to collect data must approach the DoT for assistance</li> <li>• The above condition data must be utilised according to applicable national COTO standards – Technical Recommendations for Highways/Technical Methods for Highways (TRH/TMH) – to identify and prioritise the maintenance requirements within the relevant budget limit, to improve condition of the roads and extend the lifespan of road infrastructure</li> <li>• A draft detailed Road Asset Management Plan (RAMP) for 2014/15 that is compliant with the requirements of the Government Immovable Assets Management Act (2007) and based on the COTO Road Asset Management Guidelines must be submitted by 29 August 2013 to DoT, relevant provincial treasury and National Treasury</li> <li>• Provincial departments must submit quarterly infrastructure reports to the DoT and the relevant provincial treasury that comply with the Infrastructure Reporting Model and S’hamba Sonke templates</li> <li>• Where applicable provincial departments must implement their projects in line with the S’hamba Sonke and Expanded Public Works Programme (EPWP) guidelines</li> <li>• Provincial departments should report on the EPWP work opportunities to the DoT and national Department of Public Works on the EPWP reporting system</li> <li>• The payment of the first installment is dependent upon submission to DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> <li>– receipt by DoT of all outstanding RAMS data, signed-off 2012/13 fourth quarter performance report, monthly Infrastructure Reporting Model (IRM) and signed-off budget sheet by the 15 April 2013</li> <li>– planning IRM for 2013 MTEF, final RAMP and signed-off project list for the 2013 MTEF in a Table B5 format by the 19 April 2013</li> </ul> </li> <li>• The payment of the second installment of this grant is dependent on the first quarter performance report of 2013/14, updated monthly IRM and signed-off budget sheet by 15 July 2013</li> <li>• The third installment is dependent on receipt by DoT of the second quarter performance report of 2013/14, updated Infrastructure Reporting Model (IRM) and signed-off budget sheet for 2013/14 by the 15 October 2013</li> <li>• The fourth installment is dependent on receipt of the third quarter performance report of 2013/14, updated monthly IRM and signed-off budget sheet by reporting for 2013/14 by the 15 January 2014</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocation criteria is based on the PRMG formula, which takes into account the extent of the provincial road network, the traffic volumes, the visual condition indices on the network and geo-climatic and topographic factors</li> <li>• The funding for the coal haulage road network to Gauteng and Mpumalanga is subject to separate allocation criteria based on the programme schedule</li> <li>• The funding for rehabilitation and repair of roads and bridges that were assessed by the National Disaster Management Centre is subject to separate allocation criteria</li> <li>• From 2015/16 the grant will become performance based. The likely indicators are going to be vehicle operating costs and remaining asset lifespan. The DoT will finalise the indicators and performance component on the allocation in 2013/14</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This grant is intended to ensure that provinces give priority to road infrastructure maintenance and promote efficiency in road investment</li> </ul>

<b>Provincial Roads Maintenance Grant</b>	
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R6 457 million to provinces</li> <li>• R5 522 million (86 per cent) was spent by provinces</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 3.9 million m<sup>2</sup> of re-sealing of paved roads</li> <li>• 2 700 km of re-gravelling</li> <li>• 593 942 m<sup>2</sup> of black top patching of paved roads</li> <li>• 217 647 km of gravel roads bladed</li> <li>• 60 089 FTE jobs created</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant is ongoing, but will be subject to periodic review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R8 696 million, 2014/15: R9 126 million and 2015/16: R9 774 million, which includes earmarked funding for: <ul style="list-style-type: none"> <li>– disaster response: 2013/14: R367.8 million and 2014/15: R366.9 million</li> <li>– coal haulage: 2013/14: R808.9 million, 2014/15: R803 million and 2015/16: R839.9 million</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payment will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Assess and evaluate all provinces' road asset management plans and ensure these are used to plan and prioritize maintenance work according to RISFSA</li> <li>• The DoT in partnership with the national Department of Public Works will assess business plans to ensure compliance to the S'hamba Sonke and EPWP guidelines. In addition, the two departments will monitor and assess the performance on the S'hamba Sonke and EPWP by provincial departments</li> <li>• Provide support to provinces to enable them to report on asset management system data that is compatible with the national system</li> <li>• Updating the TMH, TRH and COTO technical specifications, manuals and guidelines for road construction and maintenance</li> <li>• Monitor expenditure and performance in accordance with road asset management systems</li> <li>• Verify that primary data sources are updated</li> <li>• Approve the submissions from provinces regarding the use of the maximum of R10 million for RISFA Classification, RAMS and capacity building of their infrastructure units</li> <li>• Evaluate RAMPs and give feedback to provincial departments</li> <li>• Submit a consolidated monthly provincial infrastructure report to National Treasury within 30 days after the end of the each month</li> <li>• Submit quarterly performance reports to National Treasury and National Council of Provinces within 45 days after the end of each quarter</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Ensure projects are selected using RAMS as the primary source</li> <li>• Ensure ongoing stakeholder communication and engagement, with regard to planning and implementation of road projects</li> <li>• Ensure that the approved PRMG funded projects are gazetted in a Government Gazette with 28 days after the DORA of 2014 is enacted. The national Department of Transport's consent is needed on the project list before it is gazetted</li> <li>• Design and implement projects in compliance with the S'hamba Sonke and EPWP guidelines</li> <li>• Update monthly expenditure reporting in terms of Section 40(4)(c) of the Public Finance Management Act and through the IRM</li> <li>• Report on the EPWP work opportunities created by the projects</li> <li>• Submit quarterly performance reports within 30 days after the end of each quarter to DoT, the relevant provincial treasury and National Treasury</li> </ul>
<b>Process for approval of the 2014/15 Road Asset Management Plan</b>	<ul style="list-style-type: none"> <li>• Provinces submit a business plan in the prescribed Road Asset Management Plan format, with projects selected using RAMS as the primary source, by 30 August 2013</li> <li>• Road Asset Management Plans and project lists are assessed and reviewed by DoT, Department of Public Works and National Treasury and feedback is provided within 30 days</li> <li>• Provinces to submit revised Road Asset Management Plans by 30 October 2013</li> <li>• Provinces to submit final 2014/15 RAMP to DoT, relevant provincial treasury and National Treasury by end April 2014</li> </ul>

<b>Public Transport Operations Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Subsidisation of road based public transport services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide supplementary funding towards public transport services provided by provincial departments of transport</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• The provision of public transport services in terms of contracts which are kilometre based and affordable to the users of the services</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Subsidy per trip operated</li> <li>• Subsidy per kilometre operated</li> <li>• Subsidy per passenger</li> <li>• Subsidy per vehicle</li> <li>• Number of vehicles subsidised</li> <li>• Number of cumulative annual vehicles subsidised</li> <li>• Number of scheduled trips</li> <li>• Number of trips operated</li> <li>• Passengers per kilometre operated</li> <li>• Passengers per trip operated</li> <li>• Employees per vehicle</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The conditional grant is a national contribution to subsidised service contracts entered into by the provincial departments of transport and public transport operators for the provision of affordable subsidised services</li> <li>• Supervision, monitoring and or verification must be done to certify the correctness of the operators' claim in terms of kilometres of services provided and reported to Department of Transport (DoT) monthly</li> <li>• If the contracting function is devolved to any municipality before the 2013/14 adjustment budget, the appropriate portion of the grant will also be devolved to the municipality. The devolution must include all services in that city at once. To have the money devolved in the adjusted budget the municipality will have to have received the function by 2 September 2013. Should the function be devolved later than that, the funds will only be shifted in 2014/15. The municipality, province and operators will have to make transitional arrangements to ensure payments to operators. Should contracts be devolved during 2013/14, a Service Level Agreement (SLA) between the province and the municipality must be signed and funds must flow in line with Division of Revenue Act (DoRA) requirements. Provinces must take all reasonable measures to assist the transition within a framework to be prescribed by the DoT and National Treasury</li> <li>• All new contracts concluded must be done as per relevant legislation and in compliance with the Public Transport Strategy</li> <li>• Designs and operators' business plans detailing subsidised services will have to be approved by the Public Transport Integration Committee comprising of the three spheres of government to ensure alignment with Integrated Public Transport Network (IPTNs) plans. Where an Intermodal Planning Committee is established at municipal level, in terms of the National Land Transport Act, the functions of the two committees must be consolidated to ensure integration of planning, services and modes</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The 2013/14 to 2015/16 allocations are based on 2009 DoRA allocation baseline plus a percentage of additional budget per year as determined by National Treasury. Provinces/contracting authorities should determine individual operator's budget and ensure that the operation stays within the allocation</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Subsidies are earmarked for the provision of public transport services</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R4 153 million to provinces</li> <li>• R4 148 million (99.9 per cent) was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Summary of monthly averages for key outputs and performance for subsidised services 2011/12: <ul style="list-style-type: none"> <li>– number of vehicles subsidised: 6 548</li> <li>– total number of cumulative annual vehicles subsidised: 78 576</li> <li>– number of routes subsidised: 103 704</li> <li>– number of vehicle kilometres subsidised: 262.5 million</li> </ul> </li> </ul>

<b>Public Transport Operations Grant</b>	
	<ul style="list-style-type: none"> <li>- subsidy/vehicle: R52 792.13</li> <li>- subsidy/passenger: R11.85</li> <li>- subsidy/kilometre operated: R15.80</li> <li>- kilometres operated/vehicle: 3 341.4</li> <li>- passengers/vehicle: 4 455.4</li> <li>- passengers/trip operated: 50.8</li> <li>- passenger revenue/kilometre: R11.78</li> <li>- passenger revenue/trip operated: R449.21</li> <li>- staff/vehicle: 2.1</li> <li>- number of subsidised passengers: 350.1 million</li> <li>- number of unsubsidised passengers: 44.9 million</li> <li>- number of trips subsidised: 6.9 million</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Subject to the devolution of funds to local government as part of the operationalisation of the National Land Transport Act (NLTA)</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R4 553 million, 2014/15: R4 783 million, and 2015/16: R5 003 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Twelve monthly instalments according to payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Improve efficiencies of public transport spending</li> <li>• Maintain national database with key performance indicators of public transport services as per data received from contracting authorities</li> <li>• Develop and coordinate the necessary contracting documents to be used in subsidising public transport services</li> <li>• Provide the guidelines and criteria for the development of business plans for services to be subsidised</li> <li>• Develop norms and standards for the creation of the IPTNs with all spheres of government</li> <li>• Advise contracting authorities regarding the design of contracted services</li> </ul> <p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• Any contractual agreement entered into by a provincial department in relation to this grant will be the responsibility of the provincial department</li> <li>• Utilise supervision, monitoring and or verification to certify the correctness of the operator's subsidy claims in terms of kilometre of services provided and report to DoT monthly</li> <li>• Ensure that contracted operators' certified claims are paid within thirty calendar days from the date of receipt</li> <li>• Submit monthly performance reports to DoT within 25 calendar days of the month following the operation and quarterly performance reports within 30 days after the end of each quarter using the reporting format developed by DoT</li> <li>• Ensure alignment of IPTNs with national policy, legislation and other guidelines and/or standards</li> <li>• Provinces must assist municipalities in the process of devolving the contracting function as set out in the NLTA</li> </ul>
<b>Process for approval of the 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

**ANNEXURE W3:**  
**FRAMEWORKS FOR CONDITIONAL**  
**GRANTS TO MUNICIPALITIES**

## **Annexure W3: Frameworks for Conditional Grants to Municipalities**

### **Detailed frameworks on Schedules 4B, 5B, 6B and 7B grants to municipalities**

#### **Introduction**

This annexure provides a brief description for each grant in Schedules 4B, 5B, 6B and 7B of the 2013 Division of Revenue Bill. The following are key areas considered for each grant:

- Strategic goal and purpose of the grant
- Outcome statements and outputs of the grant
- Priority outcome(s) of government that the grant primarily contributes to
- Conditions of the grant (additional to what is required in the Bill)
- Criteria for allocation between municipalities
- Rationale for funding through a conditional grant
- Past performance
- The projected life of the grant
- 2013 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2014/15

The attached frameworks are not part of the Division of Revenue Bill, but are published in order to provide more information on each grant to parliament, legislatures, municipal councils, officials in all three spheres of government and the public. Once the 2013 Division of Revenue Bill is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2013/14 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

## COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS GRANTS

<b>Municipal Disaster Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To enable a timely response to immediate needs after a disaster has occurred</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide for the immediate release of funds for disaster response</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Immediate consequences of disasters are mitigated</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Victims of disasters supplied with immediate relief</li> <li>The impact of disasters mitigated</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the template/framework developed by the National Disaster Management Centre (NDMC) which must include a detailed disaster report highlighting: <ul style="list-style-type: none"> <li>number of people affected</li> <li>items to be purchased or that have already been purchased by municipalities with relevant proof</li> <li>support received from Non-Government Organisations (NGOs) and local businesses</li> <li>contribution by the municipality (both financially and in-kind)</li> <li>funds required for disaster response</li> <li>plan on how the funds will be spent</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>A copy of the classification letter and declaration of disaster in terms of the Disaster Management Act must be submitted to the NDMC</li> <li>Funds from this grant must be used to repair infrastructure that supports the provision of basic services and environmental health services for six months after the disaster</li> <li>Provide temporary shelter in the event that the Department of Human Settlements is unable to make provision for immediate housing, with evidence that they are unable to make such provisions</li> <li>Provide humanitarian relief, in the event that the Department of Social Development is unable to make provision, with evidence that they are unable to make such provisions</li> <li>Municipalities must fund a portion of the costs of the disaster response from their own budget or prove that they are not able to do so</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated based on declared municipal disasters and assessment reports of immediate needs</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant caters for response to unforeseen disasters</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R470 million was allocated to the Department of Cooperative Governance during the 2011/12 financial year and R32.1 million was transferred to Mpumalanga municipalities</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R470 million was allocated, with R32.1 million (6 per cent) transferred to municipalities, of which R19.8 million (62 per cent) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>The impact of a disaster were mitigated as follows: <ul style="list-style-type: none"> <li>Mbombela Local Municipality: repairs to Kanyamazane water pump, emergency provision of water and sanitation infrastructure (repairs to KSB drain and pipe and provision of toilets)</li> <li>Nkomazi Local Municipality: repairs to Langelooop, Sibande, Tunda and Masibekela water pump stations, emergency provision of sanitation infrastructure</li> <li>Umjindi Local Municipality: repairs to two access bridges, emergency provision of sanitation infrastructure</li> <li>Bushbuckridge Local Municipality: repairs to Mkhuhlu, Tintswalo, Dwaarsloop, Marite, Shatale and Agincot water pumps, Mkhuhlu sewerage works, repairs to 21 footbridges, emergency provision of sanitation infrastructure</li> </ul> </li> <li>A total number of 245 households directly benefited from this grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant is expected to continue over the medium term and will be subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R346.5 million, 2014/15: R363.6 million and 2015/16: R376.4 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Municipal Disaster Grant</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of National Disaster Management Centre</b> <ul style="list-style-type: none"> <li>• Advise municipalities about the existence of the grant and how grant funding can be applied for</li> <li>• Develop a guideline on the items that will qualify for funding through this grant</li> <li>• Establish procedures for funding items already purchased by municipalities</li> <li>• Together with the affected municipalities and provinces, conduct preliminary assessments of disaster impacts to verify the applications for funding as per the requirements of the Disaster Management Act</li> <li>• Seek approval from National Treasury for disbursement of funds to municipalities and provide written advice on the timing of disbursements to municipalities and transfer these funds to municipalities within five days of drawing the funds from the National Revenue Fund</li> <li>• Notify the relevant municipality of a transfer at least one day before transfer and transfer the funds no later than five days after notification</li> <li>• Notify the relevant Provincial Disaster Management Centre (PDMC) of a transfer and reason for transfer within one day of the transfer of funds to municipalities</li> <li>• Build relationships and establish the necessary communication channels with relevant national departments to ensure the country has a coordinated disaster response approach</li> <li>• Provide a performance report to National Treasury within 45 days of the end of the quarter in which funds are spent</li> <li>• Provide National Treasury and the relevant Provincial Treasury with written notification of the transfer within 14 days of a transfer of this grant</li> </ul>
	<b>Responsibilities of Provincial Disaster Management Centres</b> <ul style="list-style-type: none"> <li>• Advise municipalities about the existence of the grant and how grant funding can be applied for</li> <li>• Together with the affected municipalities, conduct preliminary assessments of disaster impacts to verify the applications for funding as per the requirements of the Disaster Management Act</li> <li>• Assist municipalities with requests for disaster funding and monitor projects and provide reports to the NDMC</li> <li>• Provide a performance report to the NDMC within 30 days of the end of the quarter in which funds are spent</li> </ul>
	<b>Responsibilities of municipalities</b> <ul style="list-style-type: none"> <li>• Provide a performance report to the NDMC and relevant PDMC within 30 days of the end of the quarter in which funds are spent</li> <li>• Initiate requests for disaster funding and monitor projects and provide report to the NDMC</li> <li>• Municipalities must follow emergency procurement processes when expending the grant fund</li> </ul>
<b>Process for approval of 2014 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

<b>Municipal Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Subsidise the capital costs of providing basic services to poor households</li> <li>Priority must be given to meeting the basic infrastructure needs of poor households through the provision of appropriate municipal bulk, connector and internal infrastructure for key services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved access to basic services infrastructure for poor communities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of additional poor households receiving basic water and sanitation services</li> <li>Number of additional kilometres of municipal roads developed</li> <li>Number of additional poor households serviced by solid waste disposal sites and transfer stations</li> <li>Number of additional poor households serviced by sport and recreation facilities</li> <li>Number of additional poor households serviced by street/community lighting</li> <li>Number of additional poor households serviced by public facilities</li> <li>Number of work opportunities created using Expanded Public Works Programme (EPWP) guidelines for above outputs</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the Municipal Infrastructure Grant-Management Information System (MIG-MIS) registration requirements</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Receiving officers must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and must be informed by the Integrated Development Plan (IDP) (Chapter 5 of the Municipal Systems Act, 2000) and a three year capital plan</li> <li>Prioritise basic residential infrastructure for water, sanitation, roads, refuse removal, streets lighting, connector and internal bulk infrastructure, and other municipal infrastructure like sport and recreation and community facilities in line with the Municipal Infrastructure Grant (MIG) 2004 policy framework and/or other government sector policies</li> <li>Funds can be used for new or upgrading of municipal bulk and connector infrastructure as a result of the formalisation of settlements subject to compliance with sector policies and on condition that pre-2001 backlogs have been addressed</li> <li>Municipalities must use labour-intensive construction methods in terms of EPWP guidelines</li> <li>Municipalities must comply with sector norms, standards and legislation as confirmed by sectors through the project registration process</li> <li>A municipality receiving MIG must table a three year capital budget as part of its budget for the 2013/14 financial year in accordance with the MFMA, unless exempted in terms of that Act</li> <li>A maximum of five per cent of a municipality's MIG allocation may be used for project management costs directly related to infrastructure projects</li> <li>At least 95 per cent of a municipality's MIG allocation must be appropriated on the municipality's capital budget</li> <li>The P-component of the MIG formula (described in part 5 of Annexure W1 to the Division of Revenue Bill) amounts to 15 per cent of the MIG and must be used for municipal sport facilities only</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Part 5 of Annexure W1 spells out the MIG formula in detail, showing how, the formula incorporates backlog and poverty data</li> <li>The MIG must be transferred directly to a category B or C municipality that has the powers and functions referred to in section 84 of the Municipal Structures Act, to enable the municipality to provide municipal infrastructure</li> <li>The MIG allocation for a category B municipality may be transferred to the category C municipality within whose jurisdiction the municipality is situated, if in the assessment of the transferring national officer in consultation with the National Treasury, the municipality does not: <ul style="list-style-type: none"> <li>have sufficient expenditure capacity to effectively carry out the infrastructure programmes</li> <li>adhere to good financial governance practices</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>The MIG programme was allocated R11 400 million in the 2011/12 financial year. An amount of R11 400 million was transferred to municipalities and R9 200 million (81 per cent) was reported as spent by the end of municipal financial year</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R11 400 million was allocated and transferred to municipalities, of which R9 400 million (84 per cent of allocated and transferred amount) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Households benefiting from new connections in the 2011/12 financial year: <ul style="list-style-type: none"> <li>water: 98 394</li> <li>sanitation: 217 349</li> <li>street/community lighting: 4 430</li> </ul> </li> <li>Number of additional kilometres of municipal roads developed: 1 841</li> <li>Number of additional sport and recreation facilities servicing poor communities developed: 23</li> <li>R5 100 million spent on EPWP projects</li> <li>Number of work opportunities created using EPWP guidelines for above outputs: 125 926 work opportunities</li> </ul>

<b>Municipal Infrastructure Grant</b>	
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The programme will continue up to 2015/16 subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R14 352.1 million, 2014/15: R14 683.8 million, and 2015/16: R15 448.1 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer, national departments, provincial departments and receiving officer</b>	<p><b>Responsibilities of national departments</b></p> <ul style="list-style-type: none"> <li>Department of Cooperative Governance (DCoG) administers the MIG and co-ordinates its activities with all stakeholders through appropriate structures: <ul style="list-style-type: none"> <li>DCoG must monitor expenditure and non-financial performance</li> <li>DCoG coordinates monitoring systems and the overall programme implementation</li> </ul> </li> <li>Department of Water Affairs: <ul style="list-style-type: none"> <li>support and monitor municipalities to prepare and implement Water Services Development Plans (WSDPs)</li> <li>monitor and oversee progress on water and sanitation projects implemented through the MIG</li> <li>synchronise between the MIG programme, Regional Bulk Infrastructure Grant and the Municipal Water Infrastructure Grant</li> </ul> </li> <li>Department of Human Settlements: <ul style="list-style-type: none"> <li>support and monitor municipalities to prepare and implement rural sanitation component of the WSDPs</li> <li>monitor and oversee progress on rural sanitation projects implemented through the MIG</li> <li>coordinate policy and planning of housing development and the provision of infrastructure through the MIG programme, between the MIG programme and the housing programme</li> </ul> </li> <li>Department of Public Works: monitor compliance with the EPWP guidelines and advise municipalities on labour intensive processes, systems, techniques and approaches; support municipalities with planning for public facilities; and monitor compliance to norms and standards applicable to this sector</li> <li>Department of Environmental Affairs: support municipalities with planning for solid waste management and monitor their performance and compliance with conditions applicable to this sector</li> <li>Department of Energy: support municipalities with planning for public lighting and monitor their performance and compliance with conditions applicable to this sector</li> <li>Sport and Recreation South Africa (SRSA): support municipalities with planning for municipal sport and recreation facilities and monitor their performance and compliance with conditions applicable to this sector</li> <li>Department of Transport: support municipalities with planning for municipal roads and monitor the performance of municipalities in the provision of municipal roads</li> <li>Each national sector department will be expected to fulfil a monitoring role on the relevant sector outputs in collaboration with provinces and districts municipalities</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>Coordinate municipal reports and submit to national government</li> <li>Coordinate district appraisal and progress meetings</li> <li>Provide and coordinate support and technical capacity to municipalities</li> <li>Monitor project implementation in collaboration with sectors and submit site visit reports to DCoG</li> <li>Monitor compliance with provincial legislation and alignment to Provincial Growth and Development Strategies through project registration</li> <li>Monitor performance of municipal Project Management Units and recommend relevant sanctions for under performance to DCoG</li> <li>Final sign-off on registered projects on the MIG-MIS</li> <li>Each provincial sector department will be expected to fulfil a sectoral monitoring role on relevant sectoral outputs</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and must be informed by the IDP, three year capital plan</li> <li>Municipalities must monitor each project and ensure that the MIG funds are spent for the intended purpose as registered under the MIG</li> <li>The municipality must report monthly (financial performance) and quarterly (non-financial performance) in the prescribed formats, signed by the municipal manager or the delegated official to national government via the provinces</li> </ul>
<b>Process for approval of 2014 MTEF allocations</b>	<ul style="list-style-type: none"> <li>Municipalities must submit all technical reports to the sector departments responsible for water services, sanitation services, sport and recreation, roads and transport for all projects by 31 May 2013, to be implemented in 2014/15</li> <li>The responsible sector department must evaluate reports and provide final recommendations to the municipality by 31 July 2013</li> <li>The municipality must submit all the project registration forms by 1 August 2013, for the projects to be implemented in 2014/15 to the provincial department responsible for local government</li> <li>The provincial departments must provide final recommendations to municipalities by 30 September 2013</li> <li>Municipalities must submit to the national department by 31 October 2013, detailed project implementation plans for all the projects to be implemented in the 2014/15 and 2015/16 financial years</li> <li>Such plans should include timelines regarding project designs, initiation of procurement, and Environmental Impact Assessment (EIA) and/or relevant permit/license approvals in the prescribed format</li> </ul>

<b>Municipal Systems Improvement Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>An efficient and developmental sphere of government capable of delivering services to local communities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of municipalities with information systems that support effective service delivery</li> <li>Number of municipalities with strengthened administrative systems enabling effective implementation of the ward participation system</li> <li>Number of municipalities developing by-laws, policies and systems that support local government legislation</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Municipalities must submit a signed activity plan in the prescribed format with detailed budgets and timeframes for the implementation of prioritised measurable outputs</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is starting on a new base allocation and allocations are equally made to selected municipalities</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The grant is conditional and aimed at building the capacity of municipalities to implement sound institutional and governance systems required in terms of local government Municipal Systems Act</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated R220 million and R124 million (57 per cent) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R220 million was allocated and R219 million was transferred to municipalities, of which R219 million (100 per cent of transferred amount) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>148 municipalities were supported to implement various aspects of the municipal turnaround strategy</li> <li>124 municipalities were supported to strengthen systems for effective public participation</li> <li>139 municipalities were supported to implement or review by-laws and policies that support local governance</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant continues over the MTEF period subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R240.3 million, 2014/15: R252.2 million and 2015/16: R261.1 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of national department</b>
	<ul style="list-style-type: none"> <li>Monitoring of expenditure on the grant and analysis of monthly expenditure reports from municipalities and where necessary engaging relevant provinces and/or municipalities</li> <li>Submit quarterly and annual performance reports to National Treasury</li> </ul>
	<b>Responsibilities of municipalities</b>
	<ul style="list-style-type: none"> <li>Comply with the duties of the receiving officer</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>The department's business planning process is as follows: <ul style="list-style-type: none"> <li>activity plan format guidelines, criteria and outputs sent to municipalities by 30 September 2013</li> <li>submission of business/activity plans by municipalities by 29 November 2013</li> <li>appraisal and approval of business/activity plans before transfers are made</li> </ul> </li> </ul>

## ENERGY GRANTS

<b>Energy Efficiency and Demand Side Management Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Energy (Vote 29)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce electricity consumption by promoting energy efficient practices</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide subsidies to municipalities to implement Energy Efficiency and Demand Side Management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency</li> </ul>
<b>Outcomes statements</b>	<ul style="list-style-type: none"> <li>Reduced demand for electricity</li> <li>Increased awareness of energy saving</li> <li>Skills development in energy efficiency</li> <li>Energy management capability enhanced</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Amount of electricity saved in MWh</li> <li>Number of energy efficient street lights retrofitted</li> <li>Number of energy efficient traffic lights retrofitted</li> <li>Number of buildings retrofitted</li> </ul>
<b>Details contained in the business plans</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Funds can only be used to implement electricity savings projects in municipal infrastructure</li> <li>The focus for implementation of energy efficiency interventions shall be limited to buildings, streetlights, traffic lights, and waste water treatment and pumping plants</li> <li>The municipality shall appoint the Measurement and Verification (M and V) protocol to determine the baseline and the savings achieved post implementation in line with standards set by the South African Bureau of Standards (SABS)</li> <li>A maximum of five per cent of the grant may be used by municipalities towards the M and V costs for projects implemented</li> <li>Municipalities must respond to the Request For Proposal (RFP) issued by the Department of Energy (DoE) in the format provided</li> <li>Municipalities must sign a contractual agreement with the DoE</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Because of limited budget the following criteria shall be used for selection of municipalities: <ul style="list-style-type: none"> <li>municipalities that have responded to the RFP as issued by the DoE and have shown a higher electricity savings potential in their proposal</li> <li>municipalities that have shown readiness to implement</li> <li>past performance if previously participated in the programme</li> <li>performance of other electrification programmes funded by the DoE</li> <li>capacity to provide electricity reticulation</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional transfer in support of the EEDSM programme</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>An amount of R280 million was allocated and was transferred in full to municipalities</li> <li>An amount of R205.5 million (73 per cent of total allocation) in 2011/12 financial year was spent by municipalities</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R280 million was allocated and transferred, of which R254.7 million (91 per cent) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>A total electricity saving of 39.2GWh was achieved against a baseline of 84.6GWh</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R180.7 million, 2014/15: R155.4 million and 2015/16: R202 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made according to a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Monitoring and evaluation of the EEDSM programme</li> <li>Provide municipalities with guidance on best practices and pricing for EEDSM projects</li> <li>Communicate to municipalities the process and requirements for obtaining EEDSM grant funds in 2014/15</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Submit the proposal as per the RFP issued by DoE</li> <li>Implement the EEDSM programme as per the framework and contractual agreement</li> <li>Submit to the DoE the monthly and quarterly reports approved by the Municipal Manager</li> <li>Appoint the M and V professional to develop baseline data and verify the electricity savings</li> </ul>
<b>Process for approval of 2014/15 business plan</b>	<ul style="list-style-type: none"> <li>Allocations for 2014/15 will be based on the proposals submitted in line with the RFP issued by the DoE</li> <li>Proposals must be submitted by 7 November 2013 and shall be evaluated against the criteria as set out by the DoE in the conditional grant framework</li> </ul>

<b>Integrated National Electrification Programme (Eskom) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Energy (Vote 29)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce the backlogs of un-electrified households and funding of bulk infrastructure to ensure constant supply of electricity</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A reduction in household and clinic electrification backlogs</li> <li>Universal access to electricity and improvement in distribution infrastructure reliability</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The number of connections to households and clinics per annum</li> <li>The number of bulk infrastructure installations</li> <li>Implementation of labour intensive methods on electrification projects and the number of jobs created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Plans need to have undergone pre-engineered project feasibility approval</li> <li>Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) and supporting letters provided to demonstrate municipalities are in agreement with projects to be undertaken</li> <li>Eskom to comply with requirements to provide approved bulk project in their business plans</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations to Eskom are made on behalf of municipalities based on applications from Eskom for non-licensed municipalities according to the following criteria: <ul style="list-style-type: none"> <li>high backlogs</li> <li>rural bias</li> <li>integration with other programmes such as Urban Renewal Programme, Integrated Sustainable Rural Development and other infrastructure programmes like Breaking New Ground (BNG), housing, etc</li> <li>ability to provide top-up or seed capital for project finance</li> <li>effective credit control policies</li> <li>cost of project is contained and aligned with IDPs for a particular municipality</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional capital transfer for electrification of households and clinics</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R1 751 million was allocated, transferred R1 751 million to Eskom, of which R1 469 billion (84 per cent) was spend by the end of the 2011/12 financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>106 061 connections were completed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R2 141 million, 2014/15 R2 488 million, in 2015/16: R3 680 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Agree with Eskom on outputs and targets</li> <li>Continuously monitor implementation</li> <li>Provide central coordination for bulk infrastructure</li> <li>Approve submissions for refurbishment of critical infrastructure</li> </ul> <p><b>Responsibilities of Eskom</b></p> <ul style="list-style-type: none"> <li>Minimum size of supply of 1.2 KVA, ADMD, 20 Amp per household connection and applicable supply for clinic connections</li> <li>Provide 20 Amp connections for households and applicable supply for clinic connections</li> <li>Report to Department of Energy and National Treasury on monthly expenditure for the grant</li> </ul>
<b>Process for approval of 2014 MTEF allocations</b>	<ul style="list-style-type: none"> <li>Ensure that all planned projects are in line with the municipal IDP and priority list</li> <li>Ensure that planned projects are feasible and went through the pre-engineering process</li> </ul>

<b>Integrated National Electrification Programme (Municipal) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Energy (Vote 29)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce the backlogs of un-electrified households and funding of bulk infrastructure to ensure constant supply of electricity</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A reduction in household electrification backlogs</li> <li>Universal access to electricity and improvement in distribution infrastructure reliability</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The number of connections to households per annum</li> <li>The number of bulk infrastructure installations</li> <li>Implementation of labour intensive methods on electrification projects and the number of jobs created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Adhere to labour intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines for activities such as trenching, planting of poles, etc</li> <li>Register master plans for bulk infrastructure with INEP and abide by the advice or guide of the Department of Energy (DoE) regarding the central planning and co-ordination for such bulk infrastructure</li> <li>Use INEP funds for the refurbishment of critical infrastructure, only upon submission of a project plan which must be approved by DoE</li> <li>Utilise own funding if subsidy is insufficient – top-up funding must be available</li> <li>Minimum size of supply of 1.2 KVA, ADMD, 20 Amp per household connection</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Applications from licensed municipal distributors based on: <ul style="list-style-type: none"> <li>high backlogs</li> <li>rural bias</li> <li>priority areas; 23 district municipalities</li> <li>number of occupied households for connections projects</li> <li>past performance</li> <li>integration with other programmes such as Urban Renewal Programme, other infrastructure programmes like Breaking New Ground (BNG), housing, etc</li> <li>the financial, technical and staff capabilities to distribute electricity and expand and maintain the networks</li> <li>consultation with communities in terms of the Integrated Development Plan (IDP) process</li> <li>ensuring that universal access objectives are fast tracked</li> <li>new and upgrading of bulk infrastructure projects related to (i) future electrification and (ii) where distribution network reliability adversely impacts economic activity</li> <li>infrastructure which is in a state of disrepair, is unsafe and which prohibits further connections</li> <li>informal settlements where service delivery has been prioritised</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional capital transfer for electrification of households and clinics</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>R1 096 million was allocated and transferred to municipalities with (59 per cent) spent by the end of 2011/12 financial year</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R1 096 million was allocated and transferred to municipalities, of which R1 019 million (93 per cent) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>48 491 connections were achieved and 10 substations were completed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R1 634.7 million, 2014/15: R1 564.7 million, and 2015/16: R2 056 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>Agree with municipalities on outputs and targets</li> <li>Continuously monitor implementation and provide support to municipalities</li> <li>Verify reports from municipalities</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Ensure that projects are implemented in line with what is reflected in the IDP of the municipality</li> <li>Report correctly on the management of this grant</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>Application forms sent to municipalities and evaluation of all applications and business plan proposals from municipalities to be submitted by 29 August 2013</li> </ul>

## HUMAN SETTLEMENTS GRANTS

<b>Rural Households Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce water and sanitation backlogs in rural households</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide specific capital funding for the reduction of rural water and sanitation backlogs and to target existing households where bulk-dependent services are not viable</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved access to basic water and sanitation in rural areas</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of rural households provided with access to on-site sanitation</li> <li>Number of rural households provided with non-bulk-dependent water facilities</li> <li>Number of jobs created</li> <li>Number of households trained in on site technologies and maintenance of facilities</li> <li>Number of households reached by health and hygiene awareness training</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all</li> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Municipalities must submit business plans approved by the Accounting Officer, in accordance with their Water Services Development Plans</li> <li>Fund training for beneficiaries on health and hygiene practices and how to maintain the facilities provided</li> <li>Target the provision of on-site sanitation and water facilities to rural households not intended for connector services</li> <li>The design of sanitation facilities has to be consistent with South African National Standards norms and standards</li> <li>The implementation of the programme must include training of communities on their responsibilities with regard to the outcomes of the programme and health and hygiene awareness training</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on the highest number of backlogs in each of the 23 priority district municipalities identified by government</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a special purpose grant with specific objectives and distribution criteria</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The indirect grant was allocated R258 million and expenditure was recorded at R77.8 million (31per cent)</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Number of households served with sanitation facilities per province were: <ul style="list-style-type: none"> <li>Eastern Cape: 7 129</li> <li>Free State: 936</li> <li>KwaZulu-Natal: 5 920</li> <li>Limpopo: 2 015</li> <li>Mpumalanga: 372</li> <li>Northern Cape: 320</li> <li>North West: 2 533</li> <li>Total: 19 225</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2015/16 and is subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R106.7 million, 2014/15: R113.1 million and 2015/16: R118.3 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>To approve the business plans submitted by municipalities</li> <li>Continuously monitor implementation and provide support to municipalities</li> <li>Submit monthly financial reports and quarterly non-financial reports to National Treasury</li> <li>Submit an annual evaluation report after the end of the financial year</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Municipalities are responsible for selection of the project areas that provide total coverage within available funds</li> <li>Municipalities shall be responsible for maintenance of the installed infrastructure</li> <li>Submit monthly financial reports and quarterly non-financial reports</li> <li>Municipalities to ensure efficient and effective use of resources</li> <li>Municipalities will choose the appropriate technology to be implemented</li> <li>Municipalities must ensure that groundwater protocols have been conducted to manage the potential of groundwater contamination from the on-site sanitation facilities</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>Business plans must be submitted by 30 September 2013 for the 2014 Medium Term Expenditure Framework</li> </ul>

<b>Urban Settlements Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• The integrated sustainable human settlements and improved quality of household life outcomes to be realised are: <ul style="list-style-type: none"> <li>– reduction in the real average cost of urban land for integrated development</li> <li>– increase in the supply of well-located land for human settlements development</li> <li>– improve spatial densities by providing household access to public amenities and socio-economic services</li> <li>– household access to basic and reticulation services for poor communities and related infrastructure</li> <li>– incremental improvements in security of tenure</li> <li>– improved rates of household employment through skills development and transfer in the delivery of infrastructure</li> <li>– bridging the gap for infrastructure provisions within mixed income and mixed use development to support the leveraging of private and non-state sector grants and funding</li> <li>– improved spatial integration of poor and low income households for better access to socio-economic opportunities</li> <li>– improving the sustainable livelihoods of poor households within the municipal jurisdiction</li> </ul> </li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of households in informal settlements provided with basic household and socio-economic infrastructure, via: <ul style="list-style-type: none"> <li>– in-situ upgrading or</li> <li>– relocation</li> </ul> </li> <li>• Number of additional households receiving support in the access of basic municipal services, including water and sanitation, solid waste, transport access and area lighting</li> <li>• The hectares of land identified, procured and proclaimed for informal settlements upgrading and/or mixed use development</li> <li>• Number of title deeds transferred to eligible households</li> <li>• Number of work opportunities created through the overall capital programme of the municipality</li> <li>• Number of households provided with access to public amenities and economic services within upgraded settlements</li> <li>• Improved dwelling unit densities within an improved spatial integration framework</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 8: Sustainable human settlements and an improved quality of household life</li> <li>• Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses the Urban Settlements Development Grant (USDG) performance matrix, that is consistent with the Integrated Development Plan (IDP), including the Human Settlements Chapter of the IDP, and the Service Delivery and Budget Implementation Plans (SDBIPs) of the receiving municipalities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The flow of the first instalment is subject to: <ul style="list-style-type: none"> <li>– the submission of the 2012/13 third quarter report, signed-off by the municipal Accounting Officer (AO)</li> <li>– the submission of the council approved Built Environment Performance Plan (BEPP) which must include the USDG performance matrix for 2013/14, that is aligned to the municipal IDP, SDBIP and municipal budget, by 15 May 2013</li> </ul> </li> <li>• The flow of the second instalment will be conditional upon the: <ul style="list-style-type: none"> <li>– submission of the 2012/13 fourth quarter report signed-off by the AO of the municipality</li> <li>– submission of the 2013/14 first quarter report signed-off by the AO of the municipality to the transferring national officer and the National Treasury</li> <li>– submission of the council approved SDBIP and IDP, the Outcome 8 delivery targets and the municipal human settlements development plan by 31 October 2013</li> </ul> </li> <li>• Flow of the third instalment will be conditional upon submission and approval of signed-off second quarter report by the AO to the transferring national officer and the National Treasury</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The base allocation is derived from a Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2013 Division of Revenue Bill</li> <li>• The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data</li> </ul>
<b>Reason not incorporated in equitable share</b>	<p>This is a supplementary capital infrastructure grant with conditions, objectives and distribution criteria including infrastructure backlogs aimed at improving the outcomes of the application of the equitable share</p>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• The grant was allocated R6 266 million and the full amount was transferred to municipalities. Expenditure by municipalities stood at R5 881 million (88 per cent of allocation) by the end of the municipal financial year</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>• Grant is reported as part of the overall capital budgets of municipalities</li> </ul>

<b>Urban Settlements Development Grant</b>	
	<b>2011/12 service delivery performance</b> <ul style="list-style-type: none"> <li>• Delivery performance as indicated in the performance evaluation reports for 2011/12</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The programme will continue until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R9 077 million, 2014/15: R10 334.7 million, and 2015/16: R10 670 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of national transferring officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>• Develop proper indicators for the outcomes</li> <li>• Have a structured forum to meet with municipalities on a quarterly basis</li> <li>• Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities</li> <li>• Provide support to municipalities with regards to human settlement programmes</li> <li>• Undertake oversight visits to municipalities as may be necessary</li> <li>• Facilitate strategic and spatial planning support related to human settlements development</li> <li>• Submit an evaluation report on the 2012/13 municipal grant to National Treasury by 30 September 2013</li> <li>• Provide systems, including the Housing Subsidy System that supports the administration of the human settlement delivery process</li> <li>• Comply with the responsibilities of the transferring national officer outlined in the 2013 Division of Revenue Act (DoRA)</li> <li>• Review and approve USDG performance matrix and integrated human settlements-implementation plans</li> </ul>
	<b>Responsibilities of municipalities</b> <ul style="list-style-type: none"> <li>• Submit 2012/13 evaluation reports in terms of the USDG performance matrix, as contained in the BEPP and SDBIP, to the transferring national officer on or before 30 August 2013</li> <li>• Ensure that the municipal planning of human settlements and the built environment development are consistent and aligned with national priorities and provincial human settlements plans</li> <li>• Comply with the terms and conditions of the receiving officer outlined in the DoRA</li> <li>• Submit USDG performance matrix with the relevant extracts from the SDBIP on proposed targets, outputs and outcomes in the application of the USDG in the municipality</li> <li>• Ensure compliance with required intergovernmental forums reporting and accountability framework for human settlements</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities must submit comprehensive USDG performance matrix as included in the BEPP which shall include the human settlements component of indicators and targets aligned to the IDP and SDBIP and a draft and/or approved municipal budget</li> <li>• Municipalities must submit their first draft of the BEPP including the USDG business plan by 28 March 2013 and the final BEPP including the USDG performance matrix should be submitted by 15 May 2013</li> <li>• Approved 2013/14 BEPP including the USDG performance matrix to be submitted to National Treasury by 28 June 2013</li> </ul>

### NATIONAL TREASURY GRANTS

<b>Local Government Financial Management Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To secure sound and sustainable management of the fiscal and financial affairs of municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved capacity in financial management of municipalities</li> <li>Improved and sustained skills development including the appointment of at least five interns per municipality supporting the implementation of financial management reforms focusing on the gaps identified in MFMA support plans</li> <li>Appropriately skilled financial officers appointed in municipalities consistent with the competency regulations</li> <li>Improvement in budget practices consistent with the budget reforms</li> <li>Improvement in management of revenue and expenditure, assets and liabilities</li> <li>Improvement in supply chain management practices</li> <li>Timely submission of financial statements and improved audit outcomes</li> <li>Improvement in municipal governance and oversight</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of municipal officials registered for financial management training</li> <li>Number of interns appointment per municipality</li> <li>Submission of the MFMA support plans</li> <li>Preparation and implementation of multi-year budgets</li> <li>Improved submission of financial management reports</li> <li>Improvement in supply chain management practices</li> <li>Number of internal audit units and audit committees established</li> <li>Preparation and implementation of financial recovery plans, where appropriate</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> <li>Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>MFMA support plans containing key deliverables on relevant financial management disciplines to be addressed</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Establishment of a Budget and Treasury Office (BTO) with positions filled by appropriately qualified personnel</li> <li>Establishment of Supply Chain Management, Internal Audit unit and Audit Committees</li> <li>Appointment of at least five interns over a multi-year period</li> <li>Ongoing review, revision and submission of MFMA support plans to National Treasury that addresses weaknesses in financial management</li> <li>Acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, Service Delivery and Budget Implementation Plans, annual financial statements, annual reports and automated financial management practices</li> <li>Support the training of municipal officials in financial management towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007</li> <li>Preparation and timely submission of annual financial statements for audits</li> <li>Implement corrective actions to address audit findings</li> <li>Technical support in financial management to municipalities must include the transfer of skills to municipal officials</li> <li>The preparation of a financial recovery plan and the implementation thereof, where appropriate</li> <li>Funds allocated to municipalities to assist in support and implementation of the financial management reforms</li> <li>Non-compliance to the above conditions can result in the funds being withheld or re-allocated</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Priority allocations granted to municipalities with a low revenue base and weaker capacity to enable them to sustain the reforms</li> <li>All municipalities benefit from allocations to augment own resources in support of implementation of the financial management reforms</li> <li>Regular, timely submission of reports and maintenance of expenditure at appropriate levels</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To provide direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA and its regulations</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated and transferred R384.6 million to 278 municipalities of which municipalities reported pre audit spending at R360 million or 94 per cent at year end</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R423.6 million (100 per cent) was allocated and transferred to municipalities, of which R422.8 million (99 per cent of allocated and transferred amount) was spent by the end of the municipal financial year</li> </ul>

<b>Local Government Financial Management Grant</b>	
	<p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Facilitation of accreditation for training providers with Local Government Sector Education and Training Authority (LGSETA)</li> <li>• Over 1 500 graduate finance interns have been appointed in municipalities with the objective of increasing financial management capacity in municipalities</li> <li>• Internship workshops to improve the programme and sustain the reforms, have been concluded in seven provinces on the following dates: <ul style="list-style-type: none"> <li>– North West – 11 August 2011</li> <li>– Western Cape – 01 September 2011</li> <li>– Limpopo – 15 and 16 September 2011</li> <li>– Free State – 29 September 2011</li> <li>– Mpumalanga – 14 October 2012</li> <li>– Northern Cape – 15 and 16 November 2011</li> <li>– Gauteng – 29 and 30 November 2011</li> </ul> </li> <li>• 162 municipalities have submitted their Annual Reports for the 2010/11 financial year</li> <li>• 251 municipalities submitted their Annual Financial Statements for the 2011/12 financial year by 31 August 2012</li> <li>• 191 municipalities submitted their 2012/13 approved budgets</li> <li>• 251 municipalities have established websites</li> <li>• 230 municipalities have established Municipal Public Accounts Committees</li> <li>• 258 municipalities have established Audit Committees</li> <li>• 278 municipalities have submitted MFMA support plans</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing with periodic reviews as the financial reforms are still in progress</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R424.8 million, 2014/15: R449.1 million and 2015/16: R469.8 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Management, monitoring and reporting of the programme</li> <li>• Transfer funds to municipalities in terms of the 2013 Division of Revenue Act</li> <li>• Undertake ongoing monitoring in municipalities</li> </ul>
	<p><b>Responsibilities of the municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit support plans consistent with conditions of the grant</li> <li>• Submit monthly reports consistent with the reporting requirements in the 2013 Division of Revenue Act</li> </ul>
<b>Process for approval of 2014 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Ongoing review, revision and submission of support plans to address weaknesses in financial management</li> <li>• The programme is based on the MFMA implementation and support plans submitted by municipalities</li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Eradicating spatial inequality towards the creation of liveable, sustainable, resilient, efficient and integrated human settlements</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To support and facilitate the planning and development of neighbourhood development programmes and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted under-served neighbourhoods (generally townships)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Targeted and sustainable capital improvements in strategic areas</li> <li>Leveraged private and public investments in strategic areas</li> <li>Spatial transformation of human settlements</li> <li>Increase municipal/local capacity for ongoing township development</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Catalytic township development projects in primary and secondary nodes and linkages</li> <li>Leveraged third party partnership development in primary and secondary nodes and linkages</li> <li>Long term regeneration programme plans</li> <li>Human settlement planning and development knowledge is generated and disseminated</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 4: Decent employment through inclusive economic growth</li> <li>Outcome 8: Create sustainable human settlements and improve the quality of household life</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Compliance with terms of funding agreement signed between municipality and national department</li> <li>Approval by the transferring national officer of programme plans and project plans which are aligned with Neighbourhood Development Partnership Grant (NDPG) objectives and guides</li> <li>Programmes are aligned to municipal Integrated Development Plans (IDPs), and there is council resolution supporting the award and/or programme to be implemented</li> <li>Receiving officer must submit a cash flow schedule with budgets and timeframes for programme implementation as requested by the Transferring National Officer</li> <li>Submission and approval of required monthly and quarterly reports</li> <li>Evidence of partnerships and leveraged funding into programme/target area</li> <li>Prioritisation of projects and approaches which align with the municipal segmentation categories of the grant and demonstrate explicit response to government-wide priorities, including the promotion of labour-absorbing investments, green technology and youth development</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations have been made to municipalities that demonstrated the need for underserved neighbourhood/township development that catalyse commercial and social upliftment</li> <li>Future Medium Term Expenditure Framework grant allocations will only focus on municipalities and projects that align with NDPG's prioritisation criteria (which includes: population densities, levels and diversity of economic activity, concentration of poverty and presence of connectivity networks i.e. transport)</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To directly facilitate neighbourhood/township development in selected municipal areas. This grant has strong focus on nodal and linkage development as well as the catalytic role of public and private funding for spatially targeted development which is not the focus of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R750 million allocated in Schedule 5B direct transfers to municipalities, R738 million transferred, with R468 million spent by the end of the municipal financial year (63 per cent)</li> <li>R100 million allocated in Schedule 6B indirect transfers to municipalities, R50 million transferred and spent</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R750 million was allocated and R738.3 million was transferred (98 per cent of allocation), of which R710.6 million (96 per cent of transferred amount) was spent by the end of the municipal financial year</li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
	<p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 60 municipalities granted award status, 40 of which are in receipt of technical assistance funding for programme planning and preparation (Schedule 6B grant), and 36 have embarked on construction or implementation (Schedule 6 grant) to date</li> <li>• 222 townships directly targeted by NDPG investment</li> <li>• 18 municipalities meeting township regeneration strategy requirements</li> <li>• 66 business plans approved for NDPG programme implementation</li> <li>• 43 projects under construction</li> <li>• Four projects in completion (exit and review) stage</li> <li>• Seven programmes with identified partnerships and funding leveraged</li> <li>• One learning/training event delivered to township development stakeholders through the training for township renewal initiative</li> <li>• Formulation of a new model for the training for townships renewal initiative</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The projected life of the programme is being reviewed subject to the approval of the Neighbourhood Development Partnership's revised business plan</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Direct transfers (Schedule 5B) 2013/14: R598 million, 2014/15: R591.2 million, and 2015/16: R600 million</li> <li>• Allocation-in-kind (Schedule 6B) 2013/14: R55 million, 2014/15: R58.3 million, and 2015/16: R65 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Determine the criteria for evaluating requests for grants from municipalities</li> <li>• Appropriate allocations for the grant and reporting in terms of the 2013 Division of Revenue Act (DoRA)</li> <li>• Determine the grant allocations for future Medium Term Expenditure Framework periods</li> <li>• Monitor, manage and evaluate financial and non-financial performance</li> <li>• Oversee and enforce objectives and conditions of this grant</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the DoRA</li> <li>• Provide adequate human resources capacity for the successful coordination and implementation of NDPG</li> <li>• Coordinate the development of programmes and plans aligned with the grant objectives against which performance will be assessed</li> <li>• Establish additional clear indicators for outputs and outcomes intended by the municipality against which performance may be further assessed</li> <li>• Manage and monitor implementation of programmes according to the approved business and project plans, and ensuring sound financial management and value for money</li> <li>• Maintain accurate and current grant and performance information as specified in NDPG management information formats and systems</li> <li>• Engage stakeholders so as to develop partnerships and mainstream the township development agenda in municipal and other relevant growth and development plans</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• NDPG business plans are typically approved on a multi-year basis. The process for approval of business plans and annual allocations against these plans are based on: <ul style="list-style-type: none"> <li>– alignment with NDPG criteria for sustainable neighbourhoods, focusing on leveraged funds and job creation</li> <li>– ongoing progress reporting and performance reviews where necessary</li> </ul> </li> <li>• Municipal provisional allocations will be finalised by the Transferring National Officer by 31 October 2013</li> </ul>

<b>Infrastructure Skills Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Support municipalities to build long term and sustainable capacity by training a pool of young professionals in technical and project/operations management skills related to water, sanitation, electricity, town planning, Geographic Information system (GIS) and other built environment professions</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To strengthen capacity of local government, to effectively and efficiently deliver quality infrastructure, by increasing the pool of skills available</li> <li>To facilitate lifelong learning and the transfer of knowledge and skills to municipalities</li> <li>To sustain infrastructure related management capacity in local government</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved technical and management capacity in infrastructure delivery and technical services in municipalities</li> <li>Qualified and professionally registered technical management experts appointed in municipalities to operate and sustain infrastructure assets</li> <li>Increased infrastructure delivery in municipalities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of interns/graduates appointed in municipalities</li> <li>Number of interns/graduates in engineering, science, town planning, project management and other built environment professions registered as professionals</li> <li>Training programme approved by Council or Statutory Bodies</li> <li>Number of interns/graduates managed, mentored and coached by senior professionals in similar field</li> <li>Number of interns registered as candidate professionals</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 5: A skilled and capable workforce to support an inclusive growth path</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Training, mentoring and coaching must be provided by registered professionals in engineering (i.e. electrical, civil, mechanical, and chemical); the sciences (raw and waste water treatment, water quality monitoring); the built environment (town/development planning, land use management urban design); and project management</li> <li>Training programmes must be approved by a professional and statutory body</li> <li>Functional technical services departments must be established by municipalities, with positions filled by appropriately qualified personnel to support interns/graduates</li> <li>Interns must be registered with relevant institutions and paired with qualified mentors and coaches in the same field</li> <li>Funding must be utilised exclusively for the costs associated with the internship programme</li> <li>Where training is provided by a public entity, Service Level Agreements (SLAs) must be signed between the municipality and the public entity</li> <li>Municipalities and the water boards must adhere to the business plan</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on business plans submitted and demonstrated ability to host the programme</li> <li>Allocations are based on the demand for technical expertise given municipalities' infrastructure related challenges</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This conditional grant aims to specifically develop scarce technical skills in municipalities, something not funded by the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated R39 million and transferred R39 million to selected municipalities and water boards</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>The grant has created employment and training opportunities to 154 graduates</li> <li>The following municipalities received the grant: Nelson Mandela Bay, eThekweni, Govan Mbeki, Ditsobotla, Westonaria, Polokwane, and eMfuleni</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant is expected to continue until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R98.5 million, 2014/15: R154.4 million and 2015/16: R179.2 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>Ensure roll out of programme in municipalities and public entities complies with the business plan</li> <li>Ensure the programme is standardised and linked to the recognised statutory bodies/ institutions</li> <li>Ensure that SLAs are signed between beneficiary municipalities and National Treasury before transfers are made</li> <li>Monitor progress of the programme as per the business plan within a municipality or public entity</li> <li>Ensure that the prescribed minimum number of interns over the MTEF period are trained</li> </ul> <p><b>Responsibilities of municipalities or public entities</b></p> <ul style="list-style-type: none"> <li>Appoint interns, host, train and register them with statutory bodies</li> <li>Expose interns to both on the job training and other related training as per statutory requirements</li> <li>Recruit coaches and mentors in the identified areas and pair them with the relevant interns</li> <li>Manage the programme and provide progress reports as requested by National Treasury</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>Business plans submitted to be evaluated by a committee of stakeholders to be set up by National Treasury by 29 August 2013</li> </ul>

<b>Integrated City Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved spatial targeting and sequencing of public investments in the urban built environment to achieve a more compact urban spatial form</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of sub-metropolitan spatial transformation zones identified and formalised in participating municipalities</li> <li>Number of spatial restructuring indicators, baselines and targets defined and agreed upon in participating municipalities</li> <li>Number of strategic/catalytic projects within sub-metropolitan spatial transformation zones identified and planned by participating municipalities</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An effective, competitive and responsive economic infrastructure network</li> <li>Outcome 8: Sustainable human settlements and an improved quality of household life</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Eligibility for the grant is reviewed annually and is restricted to metropolitan municipalities. For 2013/14 eligibility is restricted to metropolitan municipalities who must have: <ul style="list-style-type: none"> <li>obtained a financially unqualified audit opinion from the Auditor General in the 2010/11 financial year</li> <li>achieved acceptable levels of capital expenditure performance (reported a variance between budgeted and adjusted budget actual expenditures of 35 per cent or lower to the National Treasury for the 2011/12 financial year)</li> </ul> </li> <li>Submission of a formal council agreement on a memorandum of understanding regarding participation in the Cities Support Programme by 1 August 2013</li> <li>The pre-specification by the city of no more than two sub-metropolitan spatial transformation zones by 1 November 2013. These zones must coincide with Social Housing Restructuring Zones, Urban Development Zones, and the Spatial Development Frameworks of the metro. National Development Plan precinct level investments must lie at the centre of these zones</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations will be made to eligible metropolitan municipalities on a population weighted basis in order to account for the relatively greater planning complexity and investment needs in larger metropolitan municipalities</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The Integrated City Development Grant (ICDG) provides a specific financial incentive for metropolitan municipalities to enhance the performance of their urban built environments. It reflects commitments contained in the National Development Plan to streamline funding for urban public investments to support the restructuring of the urban built environment</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Not applicable, new grant</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Not applicable, new grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The restructuring of the urban built environment is a long term process, with significant improvements in developmental outcomes only likely over the medium term (five years). The first phase of the ICDG will last for one financial year (2013/14) and will provide planning support to metropolitan municipalities</li> <li>The second phase of the ICDG will last for three financial years (2014/15 to 2016/17) and will provide reward-based financial incentives to municipalities based on their progress in achieving pre-specified targets for built environment performance. A progress review of the ICDG programme will be conducted in 2016/17</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R40 million, 2014/15: R150 million, and 2015/16: R150 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Integrated City Development Grant</b>	
<b>Responsibilities of transferring national officer and receiving officer</b>	<b>Responsibilities of National Department</b> <ul style="list-style-type: none"> <li>• National Treasury will advise participating municipalities on grant requirements and facilitate peer learning</li> <li>• National Treasury will review eligibility criteria and assessment compliance with grant conditions prior to the transfer of each grant instalment</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Participating municipalities must submit a proposal for a sub-metropolitan restructuring plan by 1 November 2013 in accordance with requirements outlined in the grant guidelines</li> </ul>

## PUBLIC WORKS GRANT

<b>Expanded Public Works Programme Integrated Grant for Municipalities</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Public Works (Vote 7)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP Guidelines:               <ul style="list-style-type: none"> <li>road maintenance and the maintenance of buildings</li> <li>low traffic volume roads and rural roads</li> <li>basic services infrastructure, including water and sewer reticulation, sanitation and pipelines (excluding bulk infrastructure)</li> <li>other economic and social infrastructure</li> <li>tourism and cultural industries</li> <li>waste management</li> <li>parks and beautification</li> <li>sustainable land-based livelihoods</li> <li>social services programmes</li> <li>health service programmes</li> <li>community safety programmes</li> </ul> </li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Reduced levels of poverty through employment of beneficiaries in paid and productive activities</li> <li>Contribute to increased levels of employment</li> <li>Improved opportunities for sustainable employment due to the experience and learning gained</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Increased number of people employed and receiving income through the EPWP</li> <li>Increased average duration of the work opportunities created</li> <li>Increased income per EPWP beneficiary</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 4: Decent employment through inclusive growth</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plans</b>	<ul style="list-style-type: none"> <li>The programme is implemented through municipalities using Incentive Agreements, project list, creation of Full Time Equivalents (FTEs) and work opportunities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>EPWP projects must comply with the project selection criteria determined in the 2012 EPWP Grant Manual; the EPWP guidelines set by the Department of Public Works (DPW) and the Ministerial Determination as updated annually on 1 November each year</li> <li>Eligible municipalities must sign a funding agreement with the DPW before the first grant disbursement, with their final EPWP project list attached</li> <li>To receive the first planned grant disbursement, eligible municipalities must submit a signed Incentive Agreement with a project list by 7 June 2013</li> <li>Municipalities must report quarterly on all EPWP projects via DPW's EPWP reporting system, within 22 days of the end of the quarter; subsequent funds are conditional upon meeting this timeframe</li> <li>Municipalities must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual</li> <li>The EPWP grant cannot be used to fund the costs of permanent municipal personnel; however, a maximum of five per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods</li> <li>The EPWP grant can only be utilised for EPWP purposes, for the projects approved in each municipality's EPWP project list</li> <li>Municipalities must implement their approved EPWP project list and meet their agreed job creation targets</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>To be eligible for an EPWP grant allocation in 2013/14, a municipality must have reported EPWP performance by 22 October 2012. The EPWP grant allocations are based on:               <ul style="list-style-type: none"> <li>past EPWP performance; the number of full time equivalent jobs created in the prior municipal financial year</li> <li>the potential of each municipality to create work with their baseline budgets</li> <li>the need for EPWP work in an area, indicated by levels of unemployment, poverty and service backlogs</li> <li>special consideration and additional funding support for capacity and planning to vulnerable, rural municipalities. These municipalities will also be prioritised in terms of technical support for implementation provided by DPW</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key geographic regions</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>170 of the 199 eligible municipalities earned the incentive grant and were paid a total of R364 million (54 per cent of the R679.6 million allocated) from the previous schedule 8 grant</li> </ul>

<b>Expanded Public Works Programme Integrated Grant for Municipalities</b>	
	<p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 160 937 work opportunities were reported by 253 municipalities and validated by the EPWP system</li> <li>• 44 323 FTE jobs were reported by 253 municipalities and validated by the EPWP system</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R610.7 million, 2014/15: R632.3 million, and 2015/16: R661 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Determine eligibility and set grant allocations and FTE targets for eligible municipalities</li> <li>• Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines and the Ministerial Determination</li> <li>• Support municipalities in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> <li>- identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria</li> <li>- apply the EPWP project selection criteria and EPWP guidelines to project design</li> <li>- report using the EPWP reporting system</li> </ul> </li> <li>• Monitor the performance and spending of municipalities according to Incentive Agreement signed</li> <li>• Disburse the grant to eligible municipalities</li> <li>• Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement</li> <li>• Manage the EPWP coordinating structures to support implementation, identify blockages and facilitate innovative solutions</li> </ul>
	<p><b>Responsibilities of eligible municipalities</b></p> <ul style="list-style-type: none"> <li>• Develop and submit an EPWP project list to DPW by 7 June 2013</li> <li>• Sign the standard funding agreement with DPW agreeing to comply with the conditions of the grant before receiving any grant disbursement</li> <li>• Agree on the areas requiring technical support from DPW upon signing the grant agreement</li> <li>• Ensure that reporting is done within the timelines stipulated in the grant agreement and that information is captured in the EPWP reporting system</li> <li>• Municipalities must maintain beneficiary and payroll records as specified in the audit requirements in the 2013 EPWP grant manual, and make these available to DPW for data quality assessment tests</li> </ul>
<b>Process for approval of 2014 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Municipalities must report performance on EPWP projects for the 2012/13 financial year by 22 October 2013 to be eligible for a grant allocation</li> <li>• Municipalities must submit a signed Incentive Agreement with a project list by 7 June 2013</li> </ul>

## SPORT AND RECREATION SOUTH AFRICA GRANT

<b>2014 African Nations Championship Host City Operating Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Sport and Recreation South Africa (Vote 20)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Hosting a successful 2014 African Nations Championship in South Africa</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To assist host cities with the operational responsibilities associated with the hosting of the 2014 African Nations Championship</li> </ul>
<b>Outcomes statements</b>	<ul style="list-style-type: none"> <li>• Operational plans to address the needs of the 2014 African Nations Championship</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 12: Create a better South Africa and contribute to a better and safer Africa and World</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Successful hosting of the 2014 African Nations Championship</li> <li>• Utilise expertise in event management which was developed through the 2010 FIFA World Cup and 2013 African Cup of Nations championship</li> <li>• Delivery of an efficient and successful championship</li> </ul>
<b>Details contained in business plan</b>	<ul style="list-style-type: none"> <li>• The activities that each host city will carry out in order to ensure that the tournament is successful</li> <li>• Plans of events and how these are to be carried out</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The project and funding must be approved by municipal council in accordance with the Municipal Finance Management Act</li> <li>• The allocation must be used for the following, subject to the specific maximum amounts allocated for: <ul style="list-style-type: none"> <li>- the operations of the 2014 African Nations Championship</li> <li>- all city-specific marketing expenses including promotions and advertising ahead of the tournament</li> <li>- teams' accommodation and referees' accommodation on match day-1, local transport for teams and referees</li> <li>- event security at the stadiums, training venues and venues within the stadium precinct</li> <li>- VIP hospitality</li> <li>- medical, disaster management and insurance</li> <li>- tournament branding</li> <li>- office equipment and competition equipment</li> <li>- volunteer meals, stipend and transport</li> <li>- the installation of appropriate signage for the championship</li> <li>- the preparation of training venues, public viewing areas and fan parks</li> <li>- the provision of ancillary event related overlay facilities</li> <li>- the provision of ICT infrastructure required for broadcasting from stadiums</li> </ul> </li> <li>• The municipality must: <ul style="list-style-type: none"> <li>- ensure that the operational plan complies with the minimum requirements for the hosting of the 2014 African Nations Championship</li> <li>- ensure that the operational plan is approved by the municipal council</li> <li>- enter into contracts with qualified specialists (if required) in accordance with its supply chain management policy</li> <li>- appoint and retain a dedicated operations manager for the duration of the project that is responsible for managing the performance of the volunteers and contracted specialists in accordance with the contracts</li> <li>- submit a detailed operational plan to the transferring national officer by 31 October 2013</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The allocation is made to assist host cities with specific operational expenses required in hosting the 2014 African Nations Championship</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The allocation is a grant to assist host cities with funding the operations of the 2014 African Nations Championship</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Once-off allocation for 2013/14 financial year</li> </ul>
<b>2013 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R120 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfer will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• The transferring national officer is responsible for the application of oversight and monitoring provisions of the grant</li> <li>• The transferring national officer must present a system to monitor this grant not later than thirty days after the 2013 Division of Revenue Act is enacted</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Manage and monitor implementation of programmes according to the approved operational plan</li> <li>• Compile and submit a post-championship report in line with the activities carried out in the grant within 45 days of the last game of the championship</li> </ul>
<b>Process for approval of 2014 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

## TRANSPORT GRANTS

<b>Public Transport Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To support the National Land Transport Act (NLTA) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable and affordable integrated public transport</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved public transport network infrastructure that supports formal, scheduled and well managed services, which are accessible to an increasing percentage of the population of urban municipalities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Public transport infrastructure including the development, maintenance, and upgrading of dedicated lanes, routes, stations, depots, control centres and related information technology, fare systems and vehicles</li> <li>• Non-Motorised Transport (NMT) infrastructure that supports network integration (e.g. sidewalks, cycle-ways and cycle storage at stations)</li> <li>• Plans related to the above including: <ul style="list-style-type: none"> <li>– network operational plans including universal access design plans</li> <li>– business and financial plans (including financial modelling, economic evaluation, and operator transition plans)</li> <li>– institutional network management plan</li> <li>– engineering and architectural preliminary and detailed designs</li> <li>– public transport vehicle and technology plans</li> <li>– marketing and communication plans</li> </ul> </li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 6: An efficient, competitive and responsive infrastructure network</li> <li>• Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plans</b>	<ul style="list-style-type: none"> <li>• This grant uses Integrated (Rapid) Public Transport Network (IRPTN or IPTN) operational and related plans including financial modelling</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Projects must support an integrated network approach as defined in the PTS and in the NLTA</li> <li>• Integrated public transport solutions should incorporate: i) physical integration of public transport infrastructure, including non-motorised transport infrastructure; ii) fare collection infrastructure; iii) unified branding and information; and iv) unified institutional management of network infrastructure</li> <li>• Infrastructure projects must be based upon a IRPTN/IPTN operational plan (including detailed financial modelling) approved by the municipal council</li> <li>• For each phase, final network routing and related financial modelling will be agreed with Department of Transport (DoT) before municipalities are to proceed with detailed infrastructure design</li> <li>• IRPTN/IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations)</li> <li>• Contracted operators should finance and own vehicles unless the use of grant funds is approved by National Treasury and DoT, in which case the municipality must retain ownership for the useful life of the buses</li> <li>• Municipalities are required to establish specialist capacity to manage infrastructure and to plan future expansions of the network</li> <li>• Payments will be conditional on the attainment of milestones as agreed upon between DoT and municipalities, and communicated to National Treasury within two weeks of the enactment of the Division of Revenue Bill</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Budget requests will be evaluated in accordance with the outputs of a municipal plan which specifies the infrastructure costs of serving a defined number of passenger trips per average weekday</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Public transport investment has been prioritised in urban municipalities by national government through the approval by cabinet of the PTS in 2007</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R4 803 million, transferred R4 611 million to municipalities with R3 283 million (68 per cent) spent by the end of the 2011/12 municipal financial year</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>• R4 803 million was allocated and R4 611 million (96 per cent of allocation) was transferred to municipalities, of which R2 341 million (51 per cent) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Johannesburg Rea Vaya Phase 1b infrastructure was 90 per cent complete. Seven kilometres of Phase 1b busway was constructed but not yet operational. Eight Stations were completed along the Phase 1b trunk route. A permanent depot at Dobsonville (for 270 buses) was 90 per cent complete</li> <li>• Cape Town's My CiTi constructed seven kilometres of bi-directional dedicated lanes. One new trunk station was completed and five others were 90 per cent complete. Sidewalks at Milnerton and Table View completed. 434 feeder stops were under construction. Stables depot at DuNoon was completed</li> <li>• In Nelson Mandela Bay a court mandated negotiator facilitated Taxi Cooperative elections which enabled planning and negotiations for a 25 bus pilot service to commence</li> <li>• Rustenburg completed all IRPTN plans, infrastructure designs and first phase contract documents by June 2012. Construction of the first five kilometres of dedicated busway from CBD to Thlabane commenced in June 2012</li> <li>• eThekweni, Tshwane, Ekurhuleni completed all IRPTN Plans by June 2012. Preliminary infrastructure design plans are in progress</li> <li>• Mbombela, Msunduzi and Polokwane completed operational plans and commenced with business, finance and</li> </ul>

<b>Public Transport Infrastructure Grant</b>	
	<p>marketing plans in 2011/12</p> <ul style="list-style-type: none"> <li>• Buffalo City and Mangaung made no progress in 2011/12 due to procurement challenges</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2015/16 subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R4 668.7 million, 2014/15: R5 126 million, and 2015/16: R5 278.9 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with an agreed payment schedule, approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Disburse Public Transport Infrastructure Grant (PTIG) funds and monitor PTIG expenditure</li> <li>• Monitor IRPTN implementation progress in line with the NLTA and the PTS</li> <li>• Verify reports from municipalities by conducting at least one site visit per annum</li> <li>• Allocate the funds based on stated priorities through an allocation mechanism agreed to by the DoT and National Treasury</li> <li>• Evaluate the performance of the grant annually</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Ensure that projects are implemented in line with what is reflected in the Integrated Development Plan of the municipality</li> <li>• Ensure that reporting is done correctly on the management of this grant and all relevant Division of Revenue Act requirements are adhered to</li> <li>• Provide budget proposals for the PTIG funding that are based on sound operational plans</li> <li>• Establish a dedicated project team to plan, manage and maintain network infrastructure</li> <li>• Compile and submit data that indicates the efficiency and effectiveness of planned and actual infrastructure investment including: <ul style="list-style-type: none"> <li>– change, relative to the previous year, in the number and percentage of households within 500 metres of formal public transport access points</li> <li>– planned/actual capital expenditure for the relevant financial year</li> <li>– total capital expenditure per passenger kilometre for PTIG funded systems as at 28 June 2013</li> <li>– the actual total and unit costs (per km, per station etc.) of procuring infrastructure inputs (e.g. roadway, stations, depots, etc)</li> </ul> </li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities will be requested to submit budget proposals that are based on sound IRPTN operational plans by 15 July 2013</li> <li>• These requests will be evaluated by the DoT and National Treasury</li> <li>• Municipal provisional allocations will be finalised by 29 November 2013</li> </ul>

<b>Public Transport Network Operations Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To support the National Land Transport Act (NLTA) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable and affordable integrated public transport</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide supplementary operational funding to municipalities operating approved Integrated Rapid Public Transport Network/ Integrated Public Transport Network (IRPTN or IPTN) services</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved public transport network services that are formal, scheduled and well managed and which are accessible to an increasing percentage of the population of urban municipalities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of average weekday passenger trips carried on Public Transport Network Operations (PTNO) Grant (PTNOG) funded systems</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive infrastructure network</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plans</b>	<ul style="list-style-type: none"> <li>This grant uses IRPTN or IPTN operational and related plans including financial modelling</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Projects must support an integrated network approach as defined in the PTS and in the NLTA</li> <li>Integrated public transport solutions should incorporate: i) integration between different public transport services; ii) fare integration between different services; iii) marketing integration with unified branding; and, iv) institutional integration between the services</li> <li>Projects must be based upon an IRPTN/IPTN operational plan (including detailed financial modelling) approved by the municipal council</li> <li>The grant can be used to fund security, station management, ticketing services, control centre operations, information and marketing, network management, vehicle financing and compensation for the economic rights of existing operators</li> <li>From the start of operations, IRPTN/IPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any PTNO contributions. These direct operational costs consist of fuel, labour, operator administration and vehicle maintenance</li> <li>If PTNO Grant funds are to be used to cover the costs of existing economic rights of affected operators, verified data on operator revenue must be provided to the Department of Transport (DoT) prior to entering into agreements on economic rights</li> <li>The grant can be used in each Phase of the introduction of services to fund up to 70 per cent of any deficit relating to operating costs (but not direct operating costs) for two years after the municipal financial year in which operations start. Thereafter the grant can fund up to 50 per cent</li> <li>Vehicle financing and compensation for the economic rights of existing operators can be funded up to 100 per cent in each phase</li> <li>Municipalities are required to establish specialist capacity to manage and monitor public transport system contracts and operations supported by this grant</li> <li>Payments will be conditional on the attainment of milestones specified in the grant allocation letter to each municipality</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Budget requests will be evaluated in accordance with the outputs of a municipal plan which specifies operating and systems costs of serving a defined number of passenger trips per average weekday</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Operational costs associated with the implementation of the PTS and NLTA were not included in municipal budgets prior to the introduction of IRPTN services. These include station management and security, contracting and contract monitoring, operator compensation and transformation costs and electronic fare collection</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The PTNO Grant will be introduced in 2013/14</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>The PTNO Grant will be introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues till 2015/16 subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R881 million, 2014/15: R745 million and 2015/16: R862 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with an agreed payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Disburse PTNO Grant funds and monitor PTNO Grant expenditure</li> <li>Monitor IRPTN implementation progress in line with the NLTA and the PTS</li> <li>Verify reports from municipalities by conducting at least one site visit per annum</li> <li>Allocate the funds based on stated priorities through an allocation mechanism agreed to by the DOT and National Treasury</li> <li>Evaluate the performance of the grant annually</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Ensure that projects are implemented in line with what is reflected in the Integrated Development Plan of the municipality</li> <li>Reporting is done correctly on the management of this grant and all relevant Division of Revenue Act requirements are adhered to</li> <li>Provide budget proposals for the PTNO funding that are based on sound operational plans</li> <li>Establish a dedicated project team to institute specialist capacity to manage and monitor operations and to plan expansions</li> </ul>

<b>Public Transport Network Operations Grant</b>	
	<ul style="list-style-type: none"> <li>• Compile and submit data that indicates the efficiency and effectiveness of operational services including:               <ul style="list-style-type: none"> <li>– number of weekday passenger trips on PTNO Grant funded systems</li> <li>– number of municipal operational staff employed per bus in service</li> <li>– number of staff employed by each bus operating company per bus in service</li> <li>– planned/actual operational expenditure per passenger kilometre in the PTNO Grant funded system</li> <li>– the actual costs of procuring services and systems (security, station management, ticketing services, control centre operations, information and marketing, network management etc)</li> </ul> </li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities will be requested to submit budget proposals that are based on sound IRPTN operational plans by 15 July 2013</li> <li>• These requests will be evaluated by the DoT and National Treasury</li> <li>• Municipal provisional allocations will be finalised by 29 November 2013</li> </ul>

<b>Rural Roads Asset Management Systems Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Ensure efficient and effective investment in rural roads through development of Road Asset Management Systems (RAMS) and collection of data</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To assist rural district municipalities to set up rural RAMS, and collect road and traffic data in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved data on rural roads to guide infrastructure investments</li> <li>• Reduced vehicle operating costs</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Road inventory data, including condition assessment and traffic data</li> <li>• Pavement and bridge management systems compatible with national standards</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all</li> <li>• Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses Road Asset Management Business Plans which contain the following details: <ul style="list-style-type: none"> <li>– network data collection plan</li> <li>– network condition and traffic volumes</li> <li>– organisational and support plan</li> <li>– financial summary</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• For RISFSA Class R1, R2 and R3 roads, data collection requirements are: <ul style="list-style-type: none"> <li>– visual condition data not older than two years for pavements and five years for bridges</li> <li>– instrumental pavement data for roughness, rut depth and macro texture not older than two years</li> <li>– instrumental pavement data for structural strength not older than five years, and</li> <li>– traffic data not older than three years</li> </ul> </li> <li>• For RISFSA Class R4 and R5 roads, data requirements are: <ul style="list-style-type: none"> <li>– visual condition data not older than three years for pavements and five years for bridges</li> <li>– traffic data not older than five years</li> </ul> </li> <li>• All condition data to be submitted to the national data repository as per agreed format by end of March of each year</li> <li>• The above condition data shall be utilised according to applicable national Committee of Transport Officials (COTO) standards, according to Technical Recommendations for Highways (TRH) and Technical Methods for Highways (TMH) to identify and prioritise the maintenance requirements within the relevant budget limit, to improve condition of the roads and extend the lifespan of road infrastructure</li> <li>• All data collected must be made available to the national Department of Transport (DoT), South African National Roads Agency Limited (SANRAL) and the relevant Provincial Roads Authorities</li> <li>• Systems developed to record data must be compatible with DoT specifications</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• R500/km rate based on the extent of network and number of local municipalities within a district municipality</li> <li>• 28 district municipalities will benefit from this grant</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This is a specific purpose grant mainly for the provision of systems to collect rural road and traffic data</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R35.4 million was allocated, and the entire R35.4 million (100 per cent of the allocation) was transferred to municipalities</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>• R35.4 million was allocated and transferred to municipalities, of which R11.1 million (31 per cent) was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• All progress and up to date road inventory was collected per district</li> <li>• Condition assessment is on schedule</li> <li>• 118 young graduates have been recruited into the programme</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant has a life span up to 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2013/14: R52.2 million, 2014/15: R75.2 million and 2015/16: R97.8 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>• Monitoring implementation of RAMS together with Provincial Road Authorities</li> <li>• Data integrity will be checked by DoT and Provincial Road Authorities</li> <li>• Provide guidance on sustainable RAMS operations and standards</li> <li>• Facilitate training to municipalities and assist them to acquire RAMS from SANRAL</li> <li>• Check the quality of data captured on municipalities' RAMS in collaboration with Provincial Road Authorities</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Municipalities must make provision to maintain RAMS after the lifespan of the grant</li> <li>• Data for all rural roads to be updated within two years</li> <li>• Employ unemployed youth, S3 Experiential Training Students and young graduates</li> <li>• Ensure human capacity at municipalities for the operation of RAMS is built</li> <li>• Road quality data on RAMS must be used for planning Municipal Infrastructure Grant (Roads) investments</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities must submit a progress report for every year to DoT by 15 March of that year or the next working day</li> <li>• Progress reports must contain the following: <ul style="list-style-type: none"> <li>– the extent of the road network in the municipality</li> </ul> </li> </ul>

<b>Rural Roads Asset Management Systems Grant</b>	
	<ul style="list-style-type: none"><li>– the condition of the network in the municipality</li><li>– the status of the municipality's RAMS</li><li>– the proportion of municipal roads with updated data captured on its RAMS</li><li>• DoT together with Provincial Roads Authorities will evaluate the business plans and progress reports by 30 April or the next working day of every year</li></ul>

## WATER AFFAIRS GRANTS

<b>Regional Bulk Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Water Affairs (Vote 38)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Facilitate achievement of targets for access to clean water through successful execution and implementation of regional bulk infrastructure projects</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To develop infrastructure that connects water resources to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality</li> <li>In the case of sanitation, to supplement regional bulk collection as well as regional waste water treatment works</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Access to water supply enabled through establishing regional bulk infrastructure</li> <li>Proper waste water management and disposal enabled through establishing regional sanitation infrastructure (bulk sewer pipelines and waste water treatment works)</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of regional bulk projects initiated</li> <li>Number of projects completed</li> <li>Number of people or households impacted</li> <li>Number of municipalities benefiting</li> <li>Number of job opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses Implementation Readiness Studies (IRS) and funding agreements which contain the following: <ul style="list-style-type: none"> <li>cash flow and implementation milestones</li> <li>details of key stakeholders and main contractors</li> <li>specific funding conditions related to the project</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The Regional Bulk Infrastructure Grant (RBIG) is intended to fund the social component of regional bulk water and sanitation services projects approved by the Department of Water Affairs (DWA), unless arguments for exemption based on affordability are accepted by DWA</li> <li>This grant can be used to build enabling infrastructure required to connect water resources over significant distances with bulk and reticulation systems</li> <li>The need for a bulk infrastructure solution must be confirmed and accepted by DWA through the regional bulk master planning process</li> <li>A financing plan with associated co-funding options and agreements must be in place prior to implementation of RBIG funded projects</li> <li>All sources of funding for the full cost of the project must be outlined in the IRS and the funding agreement</li> <li>RBIG allocations will be paid based on proof of expenditure and achievement of outcomes to Water Services Authorities (WSAs) or institutions which have capacity to deliver the infrastructure</li> <li>The transfer of infrastructure will be done on condition that the new owner has capacity to operate and maintain the schemes. All projects must be aligned with and referenced to municipalities' Integrated Development Plans (IDPs) and Water Services Development Plans as well as a detailed plan which shows alignment of RBIG and Municipal Infrastructure Grant (MIG) projects</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Projects are assessed individually, and allocations are made on a project basis, taking into account the conditions listed above and considering that no blanket allocation method is used</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Regional bulk projects are closely linked to water resource planning and development which is a DWA competency</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>Of an allocation of R1 686 million, R1 639 million (97 per cent of allocation) has been spent by implementing agents</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Five projects were completed, benefitting the following local municipalities: <ul style="list-style-type: none"> <li>King Sabata Dalindyebo Local Municipality (LM) with 14 851 people benefitting</li> <li>Ngwathe LM with 3 694 people benefitting</li> <li>Tsantsabane LM with 23 590 people benefitting</li> <li>!Kai !Garib LM with 1 440 people benefitting</li> <li>George LM with 185 000 people benefitting</li> </ul> </li> <li>54 Projects in construction phase, 14 projects in design or tender phase and 40 projects in feasibility stage</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The life span of the grant will continue until 2015/16 subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R3 203.4 million, 2014/15: R4 482.9 million and 2015/16: R4 871.7 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Regional Bulk Infrastructure Grant</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>• Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility and IRS</li> <li>• Enter into agreements with municipalities regarding the construction, ownership, funding arrangements and operation and maintenance of proposed infrastructure prior to the commencement of construction</li> <li>• Ensure the necessary authorisations including environmental impact assessment and water use licences are obtained</li> <li>• Assess the implementing agent's progress quarterly</li> <li>• Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework)</li> <li>• Monitor implementation by the department's nominated implementing agents</li> <li>• Implement projects directly where capacity gaps exist</li> <li>• Ensure that Service Level Agreements as well as Memoranda of Understanding are in place between Water Services Providers and WSAs</li> </ul> <p><b>Responsibilities of WSAs/Institutions which schemes will be transferred to</b></p> <ul style="list-style-type: none"> <li>• Submission of quarterly reports and annual reports</li> <li>• Ensure that projects are appropriately linked to the municipalities' IDPs</li> <li>• Ensure that once a project is completed the owner will adhere to an operations and maintenance plan or requirements agreed to as part of the funding agreement and will ensure that the infrastructure is operated and maintained efficiently and effectively</li> <li>• Ensure that the municipalities are able to provide the reticulation services required to provide households with access to the water provided through the bulk infrastructure funded by this grant</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• All proposed projects which comply with the RBIG criteria must be registered and listed with the DWA provincial bulk master plans</li> <li>• Implementation readiness studies will be evaluated and approved if the feasibility studies comply with the RBIG implementation framework and criteria</li> <li>• At a regional level a co-ordination committee comprising of representatives from DWA, National Treasury, Department of Cooperative Governance, and the South African Local Government Association meets to assist with the planning of projects and co-ordination and alignment of the WSAs reticulation needs</li> <li>• At national level projects are allocated a budget by DWA based on the RBIG Programme Implementation Framework. National Treasury will be informed of the allocations</li> <li>• Based on the outcome of the IRS, DWA will nominate the implementing agent for the construction phase and designate the owner of the infrastructure. National Treasury and benefiting municipalities will be informed of the decisions</li> </ul>

<b>Municipal Water Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Water Affairs (Vote 38)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To assist Water Services Authorities (WSAs) to provide water supply services to consumers currently without services, particularly those in rural areas</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a basic water supply service</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Increased households access to water supply enabled through, interim, and/or intermediate and/or localised water supply projects to communities identified as not receiving a basic water supply service</li> <li>Access to water supply enabled through the development of new infrastructure and/or refurbishing and/or upgrading of existing infrastructure to communities identified as not receiving a basic water supply service</li> <li>Reduction in water losses and non-revenue water</li> <li>Access to water supply which is implemented in an appropriate and sustainable manner and which culminates in effective asset management</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of fully functional projects completed and signed off by the Mayor and Municipal Manager of the relevant WSA</li> <li>Number of people or households provided with a water supply service as a result of this grant</li> <li>Number of rural schemes that are functional in line with norms and standards as prescribed by the Water Services Act</li> <li>Number of communities benefiting</li> <li>Number of job opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>All receiving municipalities will be required to conclude formal agreements with the Department of Water Affairs (DWA) prior to implementation of the project(s)</li> <li>Projects to be identified by municipalities and must form part of the Integrated Development Plan (IDP) and Water Services Development Plan (WSDP) of the relevant municipality</li> <li>A technical team comprised of DWA, Department of Cooperative Governance (DCoG), Water Boards, WSA, and MISA must approve all designs and interventions of any project to be funded where the cost of the project is in excess of R20 million</li> <li>Projects must have suitably approved technical reports before funds can be transferred</li> <li>DWA must be part of the adjudication panel for the appointment of contractors</li> <li>If a WSA is deemed not to have adequate capacity, projects must be implemented and managed by Water Boards or through alternative service providers appointed after agreement with the National Treasury</li> <li>Where necessary DWA in consultation with the WSA must facilitate service level agreements for the appointment of Water Boards as service providers to operate and manage the water supply once the project is completed, on behalf of the WSA</li> <li>Ensure adequate consumer and community participation, involvement and education for each project</li> <li>If a project is to provide water services to rural communities consideration and priority must be given to establishing a Community Based Organisation (CBO) to manage or assist with the management of the water supply after the project is completed</li> <li>The WSA must ensure that the project is sustainable and remains functional after the project is completed and is supported by means of an asset management plan</li> <li>All projects having an impact on water resources must be aligned with any relevant water resource planning study and strategy developed or adopted by DWA</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Funding allocations have been prioritised within the 23 priority district municipalities (DMs) identified by government, based on backlogs for poor households in each municipality identified in the 2011 Census</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The grant is earmarked for specific projects aimed at eradicating backlogs in water and sanitation infrastructure</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2013/14: R603 million, 2014/15: R1 059 million and 2015/16: R2 672 million</li> </ul>

<b>Municipal Water Infrastructure Grant</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of transferring national officer and receiving officer</b>	<p><b>Responsibilities of National Department</b></p> <ul style="list-style-type: none"> <li>• Manage the overall grant</li> <li>• Facilitate the development of appropriate planning for each WSA and the development of a provincial plan to eradicate water supply backlogs</li> <li>• Evaluate and approve the technical reports and business plans for each project</li> <li>• Participate in the adjudication committee to appoint contractors of any project in excess of R20 million</li> <li>• Ensure that the conditions of the grant are met</li> <li>• Facilitate support to WSA when required to implement the projects</li> <li>• Agree with WSAs on outputs and targets</li> <li>• Submit quarterly progress and annual reports in a format agreed to the National Treasury</li> </ul> <p><b>Responsibilities of the Water Boards</b></p> <ul style="list-style-type: none"> <li>• Assist the DWA in managing the implementation of the overall programme</li> <li>• Carry out technical reports for some of the projects</li> <li>• Manage the implementation of some of the projects</li> <li>• Become Water Service Providers for the on-going management of water supply for projects where necessary</li> <li>• Assist WSA where necessary in managing water supply infrastructure</li> <li>• Develop adequate capacity, resources and skills to manage rural water supply schemes</li> <li>• Water Boards will submit monthly, quarterly and annual reports in the format prescribed by National Treasury and DWA</li> </ul> <p><b>Responsibilities of Water Services Authorities</b></p> <ul style="list-style-type: none"> <li>• Develop adequate integrated planning for water services</li> <li>• Compile an overall business plan for the entire WSA on how to address all water supply backlogs</li> <li>• Compile and submit business plans for each project</li> <li>• Manage the development and approve the technical reports for each project</li> <li>• Ensure adequate participation and involvement of the public in each of the projects, particularly in rural areas</li> <li>• Manage the project implementation and facilitation</li> <li>• Ensure on-going effective and efficient operations and maintenance of the projects once completed</li> <li>• Comply with all the funding conditions agreed to</li> <li>• Contribute to the financial costs of some of the projects</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• WSA to submit business plan by 30 September 2013</li> <li>• DWA to evaluate and ask for any changes if required by 31 October 2013</li> <li>• 2013 business plan signed and formalised by 15 November 2013 must include: <ul style="list-style-type: none"> <li>- specific support plans to enhance ability and capacity</li> <li>- a breakdown of the cost of projects to be implemented</li> <li>- clear time lines of when and where projects will be implemented</li> </ul> </li> </ul>

<b>Water Services Operating Subsidy Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Water Affairs (Vote 38)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To ensure effective, efficient and sustainable service delivery by all Water Services Authorities (WSAs)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To subsidise and build capacity in water schemes owned and/or operated by the Department of Water Affairs (DWA) or by other agencies on behalf of the department</li> </ul>
<b>Outcomes statements</b>	<ul style="list-style-type: none"> <li>To ensure that transferred schemes are fully functional and operated by skilled personnel to ensure optimal service delivery by the Water Services Authority (WSA)</li> <li>WSA/provider has developed sufficient capacity in line with funding requirements</li> <li>Cost recovery plan in place to support the sustainability of schemes</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Operating outputs as defined in the business plan for each individual scheme: <ul style="list-style-type: none"> <li>number of schemes where capacity and skills to run schemes were built</li> </ul> </li> <li>Transfer outputs as outlined in the policy framework and business plan: <ul style="list-style-type: none"> <li>schemes refurbished to standards outlined in terms of the agreed policy framework</li> <li>sustainability assessments completed per scheme or group of schemes to be transferred</li> <li>number of transferred schemes</li> </ul> </li> </ul>
<b>Details contained in business plans</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>To ensure that funds transferred to WSAs are utilised for the intended purpose and that there is proper accountability by both receiving and transferring institutions</li> <li>The operating subsidy (grant-in-kind) will cover staff related costs (HR component), the direct operating and maintenance costs (component), the refurbishment and will facilitate the transfer of schemes</li> <li>All receiving municipalities and providers will be required to conclude formal Transfer Agreements (TA) and subsequent addendums to the TA</li> <li>The necessary capacity building plan related to the development, operation and maintenance of the infrastructure must be in place prior to the transfer of infrastructure to the relevant institution</li> <li>Approval of allocations is conditional on a business plan that meets the requirements prescribed</li> <li>Reporting on the grant must be done on a monthly basis</li> <li>The transferring national department may adjust the allocation to a municipality subject to approval from National Treasury in terms of the 2013 Division of Revenue Act to reflect: <ul style="list-style-type: none"> <li>the actual personnel allocation payable to a municipality as a result of the number of staff transferred to the municipality</li> <li>the actual operating allocation payable to a municipality, as informed by the percentage or portion of assets transferred to a municipality in respect of assets shared across municipal boundaries</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocation as agreed in the transfer agreement, in line with a business plan for the project and agreed upon with National Treasury</li> <li>Schedule 5B will cover provision for areas where refurbishment, human resource and operations and maintenance of schemes falls under a WSA</li> <li>Schedule 6B will cover provisions for staff not yet transferred to a WSA, and goods and services</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To ensure sustainability, functionality and proper working of water schemes in the country and to establish functional and sustainable capacity in municipalities to provide water services. Will be incorporated into the equitable share subject to an assessment of capacity and the timelines in business plans</li> </ul>
<b>Past performance</b>	<p><b>2011/12 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Direct transfers to municipalities: R542.3 million allocated, with R542.3 million transferred</li> <li>Allocation in kind for municipalities: R128.4 million allocated of which R121.2 million was spent, which represents 95 per cent expenditure</li> </ul> <p><b>2011/12 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>Direct transfers to municipalities: R542.3 million was allocated and transferred to municipalities, of which R542.3 million was spent by the end of the municipal financial year</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Over the life of the grant 59 agreements have been signed, 5 524 staff transferred and 1 655 schemes transferred (including rudimentary schemes), the total value of schemes transferred amounts to R6 600 million</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant continues until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>Direct transfer to municipalities (Schedule 5B): <ul style="list-style-type: none"> <li>2013/14: R420.9 million, 2014/15: R449.6 million and 2015/16: R470.2 million</li> </ul> </li> <li>Allocation in kind to municipalities (Schedule 6B): <ul style="list-style-type: none"> <li>2013/14: R138.9 million, 2014/15: R142 million and 2015/16: R151.2 million</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Water Services Operating Subsidy Grant</b>	
<b>Responsibilities of the national department and municipalities and WSAs</b>	<p><b>Responsibility of national department</b></p> <ul style="list-style-type: none"> <li>• Agree with WSAs on outputs and targets</li> <li>• Continuously monitor implementation and provide support to municipalities to enable independence in managing the schemes</li> <li>• Report to National Treasury on the grant performance (in the prescribed format) and ensure compliance with the grant conditions</li> <li>• Implement the comprehensive Refurbishment Project Management System (RPMS)</li> <li>• Conduct regular site inspections on projects implemented by WSAs</li> <li>• Submit monthly, quarterly progress and annual reports in a format agreed to with National Treasury</li> <li>• Provide National Treasury with an assessment of the grant's performance since inception by 28 June 2013</li> </ul> <p><b>Responsibility of municipalities (WSAs)</b></p> <ul style="list-style-type: none"> <li>• WSAs will submit monthly, quarterly and annual reports in the format prescribed by National Treasury and DWA</li> <li>• Submission of operating and maintenance plans, and refurbishment plans by 31 May 2013 in compliance with standards set by DWA</li> </ul>
<b>Process for approval of 2014/15 business plans</b>	<ul style="list-style-type: none"> <li>• 2013 refurbishment project plans signed and formalised by June 2013 must include: <ul style="list-style-type: none"> <li>- specific support plans to enhance ability and capacity</li> <li>- names of schemes to be refurbished</li> <li>- a breakdown of the cost of refurbishment and its implications</li> <li>- a signed transfer agreement/addendum which contains a comprehensive assessment of the status report on management of the WSAs</li> <li>- operations and maintenance plans for all the schemes to be covered by the allocation</li> </ul> </li> </ul>

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 5B AND 7B): CURRENT GRANTS  
(National and Municipal Financial Years)**







ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 5B & 7B): CURRENT GRANTS 1 OF 2

Category	Local Government Financial Management Grant			Municipal Systems Improvement Grant			Expanded Public Works Programme Integrated Grant for Municipalities			Municipal Disaster Grant			Public Transport Network Operations Grant		
	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>Municipality</b>															
B	1 650	1 800	1 950	890	934	967									
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 550	1 600	1 650	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 550	1 600	1 650	890	934	967	1 000								
C	1 250	1 250	1 250	890	934	967	2 942								
<b>Total: Zululand Municipalities</b>	<b>9 300</b>	<b>9 850</b>	<b>10 400</b>	<b>5 340</b>	<b>5 604</b>	<b>5 802</b>	<b>6 942</b>								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
C	1 250	1 250	1 250	890	934	967	1 000								
<b>Total: Umhlangakade Municipalities</b>	<b>9 500</b>	<b>10 250</b>	<b>11 000</b>	<b>5 340</b>	<b>5 604</b>	<b>5 802</b>	<b>5 000</b>								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 550	1 600	1 650	890	930	960	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 550	1 600	1 650	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	2 830								
C	1 250	1 250	1 250	890	934	967	2 840								
<b>Total: Uthungulu Municipalities</b>	<b>10 950</b>	<b>11 650</b>	<b>12 350</b>	<b>6 230</b>	<b>6 534</b>	<b>6 762</b>	<b>10 670</b>								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 700	1 650	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
C	1 250	1 250	1 250	890	934	967	1 000								
<b>Total: iLembe Municipalities</b>	<b>7 750</b>	<b>8 350</b>	<b>8 750</b>	<b>4 450</b>	<b>4 670</b>	<b>4 835</b>	<b>5 000</b>								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 550	1 700	1 650	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
B	1 650	1 800	1 950	890	934	967	1 000								
C	1 250	1 250	1 250	890	934	967	2 739								
<b>Total: Siomke Municipalities</b>	<b>9 400</b>	<b>10 150</b>	<b>10 700</b>	<b>5 340</b>	<b>5 604</b>	<b>5 802</b>	<b>7 739</b>								
<b>Total: KwaZulu-Natal Municipalities</b>	<b>95 100</b>	<b>101 600</b>	<b>107 500</b>	<b>53 407</b>	<b>56 032</b>	<b>58 006</b>	<b>114 437</b>						<b>71 395</b>	<b>110 920</b>	<b>162 713</b>

**ANNEXURE W4**  
**SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 5B & 7B); CURRENT GRANTS 1 OF 2**

Category	Municipality	Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant	
		National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)
<b>LIMPOPO</b>											
B	LIM331 Greater Giyani	1 550	1 600	890	934	967	1 000				
B	LIM332 Greater Letaba	1 550	1 600	890	934	967	1 000				
B	LIM333 Greater Tzaneen	1 550	1 600	890	934	967	1 000				
B	LIM334 Bu-Phalaborwa	1 550	1 600	890	934	967	1 000				
B	LIM335 Maruleng	1 650	1 800	890	934	967	1 000				
C	DC33 Moyani District Municipality	1 250	1 250	890	934	967	1 000				
	<b>Total: Mopani Municipalities</b>	<b>9 100</b>	<b>9 450</b>	<b>5 340</b>	<b>5 604</b>	<b>5 802</b>	<b>6 908</b>				
B	LIM341 Musina	1 650	1 800	890	934	967	1 000				
B	LIM342 Mutale	1 650	1 800	890	934	967	1 000				
B	LIM343 Thulamela	1 550	1 600	890	934	967	1 000				
B	LIM344 Mkhondo	1 550	1 600	890	934	967	1 000				
C	DC34 Vhembe District Municipality	1 250	1 250	890	934	967	4 655				
	<b>Total: Vhembe Municipalities</b>	<b>7 650</b>	<b>8 050</b>	<b>4 450</b>	<b>4 670</b>	<b>4 835</b>	<b>9 390</b>				
B	LIM351 Bloberg	1 650	1 800	890	934	967	1 000				
B	LIM352 Aganang	1 650	1 800	890	934	967	1 000				
B	LIM353 Molemole	1 550	1 600	890	934	967	1 000				
B	LIM354 Polokwane	1 650	1 800	890	930	967	4 614				
B	LIM355 Lepelle-Nkumpi	1 550	1 600	890	934	967	1 198				
C	DC35 Capricorn District Municipality	1 250	1 250	890	934	967	1 000				
	<b>Total: Capricorn Municipalities</b>	<b>9 300</b>	<b>9 850</b>	<b>5 340</b>	<b>5 600</b>	<b>5 802</b>	<b>9 812</b>				
B	LIM361 Thabazimbi	1 550	1 600	890	934	967	1 000				
B	LIM362 Lephalale	1 550	1 600	890	934	967	1 115				
B	LIM364 Mookgopong	1 650	1 800	890	934	967	1 000				
B	LIM365 Modimolle	1 550	1 600	890	934	967	1 000				
B	LIM366 Bela-Bela	1 550	1 600	890	934	967	1 000				
B	LIM367 Mogalakwena	1 550	1 600	890	934	967	1 154				
C	DC36 Waterberg District Municipality	1 250	1 250	890	934	967	1 000				
	<b>Total: Waterberg Municipalities</b>	<b>10 650</b>	<b>11 050</b>	<b>6 230</b>	<b>6 538</b>	<b>6 769</b>	<b>7 269</b>				
B	LIM471 Ephraim Mogale	1 550	1 600	890	934	967	1 000				
B	LIM472 Elias Moseleledi	1 550	1 600	890	934	967	1 000				
B	LIM473 Makhuduthamaga	1 550	1 600	890	934	967	1 000				
B	LIM474 Fetakgomo	1 550	1 600	890	934	967	1 000				
B	LIM475 Greater Tlosetse	1 550	1 600	890	934	967	1 000				
C	DC47 Sekhukhune District Municipality	1 250	1 250	890	934	967	1 000				
	<b>Total: Sekhukhune Municipalities</b>	<b>9 100</b>	<b>9 450</b>	<b>5 340</b>	<b>5 604</b>	<b>5 802</b>	<b>6 000</b>				
	<b>Total: Limpopo Municipalities</b>	<b>45 800</b>	<b>47 850</b>	<b>26 700</b>	<b>28 016</b>	<b>29 010</b>	<b>39 379</b>				

ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 5B & 7B): CURRENT GRANTS 1 OF 2

Category	Municipality	Local Government Financial Management Grant			Municipal Systems Improvement Grant			Expanded Public Works Programme Integrated Grant for Municipalities			Municipal Disaster Grant			Public Transport Network Operations Grant		
		2014/15		2015/16	2014/15		2015/16	2013/14		2014/15	2015/16	2013/14		2014/15	2015/16	
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	
<b>MPUMALANGA</b>																
B	MP301	1 550	1 600	1 650	890	934	967	3 785								
B	MP302	1 550	1 600	1 650	890	934	967	1 000								
B	MP303	1 550	1 600	1 650	890	934	967	1 954								
B	MP304	1 550	1 600	1 650	890	934	967	3 072								
B	MP305	1 550	1 600	1 650	890	934	967	1 056								
B	MP306	1 550	1 800	1 950	890	934	967	1 000								
B	MP307	1 550	1 600	1 650	890	934	967	2 151								
C	DC30	1 250	1 250	1 250	890	934	967	1 000								
	<b>Total: Gert Sibande Municipalities</b>	<b>12 100</b>	<b>12 650</b>	<b>13 100</b>	<b>7 120</b>	<b>7 472</b>	<b>7 736</b>	<b>15 018</b>								
B	MP311	1 550	1 600	1 650	890	934	967	1 465								
B	MP312	1 550	1 600	1 650	890	934	967	1 594								
B	MP313	1 550	1 600	1 650	890	934	967	1 639								
B	MP314	1 550	1 800	1 950	890	934	967	1 000								
B	MP315	1 550	1 600	1 650	890	934	967	2 842								
B	MP316	1 550	1 600	1 650	890	934	967	3 096								
C	DC31	1 250	1 250	1 250	890	934	967	1 000								
	<b>Total: Nkangala Municipalities</b>	<b>10 550</b>	<b>11 050</b>	<b>11 450</b>	<b>6 230</b>	<b>6 538</b>	<b>6 769</b>	<b>12 636</b>								
B	MP321	1 550	1 600	1 650	890	934	967	1 000								
B	MP322	1 550	1 600	1 650	890	934	967	1 695								
B	MP323	1 550	1 600	1 650	890	934	967	1 286								
B	MP324	1 550	1 600	1 650	890	934	967	6 044								
B	MP325	1 550	1 600	1 650	890	934	967	2 596								
C	DC32	1 500	1 500	1 500	890	934	967	1 000								
	<b>Total: Ehlanzeni Municipalities</b>	<b>9 250</b>	<b>9 500</b>	<b>9 750</b>	<b>5 340</b>	<b>5 604</b>	<b>5 802</b>	<b>13 621</b>								
	<b>Total: Mpumalanga Municipalities</b>	<b>31 900</b>	<b>33 200</b>	<b>34 300</b>	<b>18 690</b>	<b>19 614</b>	<b>20 307</b>	<b>41 275</b>								



ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 5B & 7B); CURRENT GRANTS 1 OF 2

Category	Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant	
	National and Municipal Financial Year 2013/14 (R'000)	2013/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2013/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2013/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2013/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2013/16 (R'000)
<b>NORTH WEST</b>										
B NW371 Moretele	1 550	1 600	890	934	967	1 175				
B NW372 Mutheng	1 550	1 600	890	934	967	2 573				
B NW373 Rustenburg	1 550	1 600	890	934	967	7 990				
B NW374 Kgetingevier	1 650	1 800	890	934	967	1 000				
B NW375 Moses Kotane	1 550	1 600	890	934	967	2 386				
C DC37 Bojanala Platinum District Municipality	1 250	1 250	890	934	967	1 000				
<b>Total: Bojanala Platinum Municipalities</b>	<b>9 100</b>	<b>9 450</b>	<b>5 340</b>	<b>5 604</b>	<b>5 802</b>	<b>16 124</b>				
B NW381 Ratlou	1 650	1 800	890	934	967	1 080				
B NW382 Tswang	1 650	1 800	890	934	967	1 000				
B NW383 Marikeng	1 550	1 600	890	934	967	3 720				
B NW384 Ditsobotla	1 550	1 600	890	930	967	1 982				
B NW385 Ramouabere-Moiloa	1 550	1 600	890	934	967	1 135				
C DC38 Ngaka Modiri Molema District Municipality	1 250	1 250	890	934	967	1 000				
<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>9 200</b>	<b>9 650</b>	<b>5 340</b>	<b>5 600</b>	<b>5 802</b>	<b>9 917</b>				
B NW392 Naledi	1 550	1 600	890	934	967	1 000				
B NW393 Mamusa	1 650	1 800	890	934	967	1 000				
B NW394 Greater Taung	1 650	1 800	890	934	967	1 000				
B NW396 Lekwa-Tsemane	1 550	1 600	890	934	967	1 000				
B NW397 NW397	2 598	2 588	890	930	967	1 000				
C DC39 Dr Ruth Segomotsi Mompati District Municipality	1 250	1 250	890	934	967	1 668				
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>	<b>10 248</b>	<b>10 638</b>	<b>5 340</b>	<b>5 600</b>	<b>5 802</b>	<b>6 668</b>				
B NW401 Ventersdorp	1 650	1 800	890	934	967	1 000				
B NW402 Tokwe	1 550	1 600	890	934	967	1 000				
B NW403 City of Matlosana	1 550	1 600	890	934	967	1 000				
B NW404 Maquassi Hills	1 550	1 600	890	934	967	1 000				
C DC40 Dr Kenneth Kaunda District Municipality	1 250	1 250	890	934	967	1 000				
<b>Total: Dr Kenneth Kaunda Municipalities</b>	<b>7 550</b>	<b>7 850</b>	<b>4 450</b>	<b>4 670</b>	<b>4 835</b>	<b>5 000</b>				
<b>Total: North West Municipalities</b>	<b>36 098</b>	<b>37 588</b>	<b>20 470</b>	<b>21 474</b>	<b>22 241</b>	<b>37 709</b>				







**ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B): CURRENT GRANTS 2 OF 2**

Category	Municipality	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy Efficiency and Demand Side Management Grant		2014 African Nations Championship Host City Operating Grant		Integrated City Development Grant		SUB-TOTAL: CURRENT				
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>KWAZULU-NATAL</b>																
A	ETH eThekweni			33 000	55 473	74 337	10 000	5 000		9 539		172 565	172 543	238 300		
B	KZN211 Vukamehlo										2 540	2 734	2 917			
B	KZN212 Umdoni										3 540	2 734	2 917			
B	KZN213 Unzambe										2 540	2 734	2 917			
B	KZN214 uMfazwabantu										3 540	2 734	2 917			
B	KZN215 Ezingoleni										3 540	2 734	2 917			
B	KZN216 Hibiscus Coast	5 565	6 700	5 000	3 000	3 180	5 000	5 000		8 440	7 634	7 717				
C	Ugu District Municipality	5 565	6 700	5 000	3 000	3 180	5 000	5 000		8 705	11 884	10 397				
	<b>Total: Ugu Municipalities</b>													<b>32 845</b>	<b>33 188</b>	<b>32 699</b>
B	KZN221 uMshwathi										3 540	2 734	2 917			
B	KZN222 uMngeni										3 440	2 534	2 617			
B	KZN223 Mphofeni										3 540	2 734	2 917			
B	KZN224 Impendle										3 540	2 734	2 917			
B	KZN225 Msunduzi						8 000	5 000	10 000		12 314	7 534	12 617			
B	KZN226 Mkhambathini										3 540	2 734	2 917			
B	KZN227 Richmond										3 557	2 734	2 917			
C	Richmond										3 147	2 184	2 217			
	<b>Total: Umngundlovu Municipalities</b>													<b>36 618</b>	<b>25 922</b>	<b>32 036</b>
B	KZN232 Emnambithi/Ladysmith										5 169	2 534	2 617			
B	KZN233 Indaka										3 540	2 734	2 917			
B	KZN234 Unstshezi										3 440	2 534	2 617			
B	KZN235 Okhahlamba										3 540	2 734	2 917			
B	KZN236 Imbabazane										3 540	2 734	2 917			
C	Uthukela District Municipality	6 000	8 000	5 000	5 000	8 000	5 000	10 000		9 140	10 184	7 217				
	<b>Total: Uthukela Municipalities</b>	<b>6 000</b>	<b>8 000</b>	<b>5 000</b>	<b>5 000</b>	<b>8 000</b>	<b>5 000</b>	<b>10 000</b>						<b>28 369</b>	<b>23 454</b>	<b>21 202</b>
B	KZN241 Endumeni										3 440	2 534	2 617			
B	KZN242 Nqutu										3 540	2 730	2 910			
B	KZN244 Msinga										3 655	2 734	2 917			
B	KZN245 Unwoti										4 100	2 534	2 617			
C	Unzinyathi District Municipality	7 500	7 500	5 000	5 000						10 640	9 684	7 217			
	<b>Total: Unzinyathi Municipalities</b>	<b>7 500</b>	<b>7 500</b>	<b>5 000</b>	<b>5 000</b>									<b>25 375</b>	<b>20 216</b>	<b>18 278</b>
B	KZN252 Newcastle	9 652	10 000	5 000							13 432	12 634	7 717			
B	KZN253 Enadlangeni										3 540	2 734	2 917			
B	KZN254 Dlamhauser										3 540	2 734	2 917			
C	DC25 Amauba District Municipality	1 500	1 500	5 000							4 890	3 934	7 467			
	<b>Total: Amauba Municipalities</b>	<b>11 152</b>	<b>11 500</b>	<b>10 000</b>										<b>25 402</b>	<b>22 036</b>	<b>21 018</b>

**ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B): CURRENT GRANTS 2 OF 2**

Category	Municipality	Water Services Operating Subsidy Grant			Infrastructure Skills Development Grant			Energy Efficiency and Demand Side Management Grant			2014 African Nations Championship Host City Operating Grant			Integrated City Development Grant			SUB-TOTAL: CURRENT		
		National and Municipal Financial Year		2015/16	National and Municipal Financial Year		2015/16	National and Municipal Financial Year		2015/16	National and Municipal Financial Year		2015/16	National and Municipal Financial Year		2015/16	National and Municipal Financial Year		2015/16
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
B	KZN261 eDumbe															2 540	2 734	2 917	
B	KZN262 uPhongolo															3 540	2 734	2 917	
B	KZN263 Abqobhisi															3 440	2 534	2 617	
B	KZN265 Nongoma															3 540	2 734	2 917	
B	KZN266 Ulundi															3 440	2 534	2 617	
C	DC26 Zululand District Municipality	8 821	7 230	5 000												13 903	9 414	7 217	
	<b>Total: Zululand Municipalities</b>	<b>8 821</b>	<b>7 230</b>	<b>5 000</b>												<b>30 403</b>	<b>22 684</b>	<b>21 202</b>	
B	KZN271 Umhlabuyalingana															3 540	2 734	2 917	
B	KZN272 Jozini															3 540	2 734	2 917	
B	KZN273 The Big 5 False Bay															2 540	2 734	2 917	
B	KZN274 Hlabisa															3 540	2 734	2 917	
B	KZN275 Mthunuba															3 540	2 734	2 917	
C	DC27 Umkhanyakude District Municipality	9 022	5 900	5 000												12 162	8 084	7 217	
	<b>Total: Umkhanyakude Municipalities</b>	<b>9 022</b>	<b>5 900</b>	<b>5 000</b>												<b>28 862</b>	<b>21 754</b>	<b>21 802</b>	
B	KZN281 Mfolozi															3 540	2 734	2 917	
B	KZN282 uMhlabuze	7 210	6 800	5 000	4 000	4 452	4 719			10 000						14 650	13 782	23 329	
B	KZN283 Numbanana															3 540	2 734	2 917	
B	KZN284 uMlatizi															3 440	2 534	2 617	
B	KZN285 Mhonzani															3 540	2 734	2 917	
B	KZN286 Nkandla															5 370	2 734	2 917	
C	DC28 Uthungulu District Municipality	3 124	5 374	5 000												8 104	7 558	7 217	
	<b>Total: Uthungulu Municipalities</b>	<b>10 334</b>	<b>12 174</b>	<b>10 000</b>	<b>4 000</b>	<b>4 452</b>	<b>4 719</b>			<b>10 000</b>						<b>42 184</b>	<b>34 810</b>	<b>43 831</b>	
B	KZN291 Mandeni															3 540	2 734	2 917	
B	KZN292 KwaDukuza															8 440	7 634	12 617	
B	KZN293 Ndwebwe								5 000	10 000						3 540	2 734	2 917	
B	KZN294 Mapumulo															3 540	2 734	2 917	
C	DC29 iLembe District Municipality	11 139	7 861	5 000												14 279	10 045	7 217	
	<b>Total: iLembe Municipalities</b>	<b>11 139</b>	<b>7 861</b>	<b>5 000</b>					<b>5 000</b>	<b>10 000</b>						<b>33 359</b>	<b>25 881</b>	<b>28 585</b>	
B	KZN431 Ingwe															3 540	2 734	2 917	
B	KZN432 Kwa Sani															3 540	2 734	2 917	
B	KZN433 Greater Kokstad															3 440	2 634	2 617	
B	KZN434 Uhubhebeze															3 540	2 734	2 917	
B	KZN435 Unzinkhulu															3 540	2 734	2 917	
C	DC43 Siwonke District Municipality		7 042	5 000					5 000							9 879	9 226	7 217	
	<b>Total: Siwonke Municipalities</b>		<b>7 042</b>	<b>5 000</b>					<b>5 000</b>							<b>27 479</b>	<b>22 796</b>	<b>21 502</b>	
	<b>Total: KwaZulu-Natal Municipalities</b>	<b>69 563</b>	<b>73 907</b>	<b>55 000</b>	<b>37 000</b>	<b>62 925</b>	<b>82 236</b>		<b>33 000</b>	<b>20 000</b>						<b>483 441</b>	<b>425 284</b>	<b>500 455</b>	

**ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B): CURRENT GRANTS 2 OF 2**

Category	Municipality	Water Services Operating Subsidy Grant			Infrastructure Skills Development Grant			Energy Efficiency and Demand Side Management Grant			2014 African Nations Championship Host City Operating Grant			Integrated City Development Grant			SUB-TOTAL: CURRENT			
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>LIMPOPO</b>																				
B	LIM331	Greater Giyani																3 440	2 534	2 617
B	LIM332	Greater Letaba																3 638	2 534	2 617
B	LIM333	Greater Tzaneen																9 150	7 534	7 617
B	LIM334	Ba-Phalaborwa							5 000									3 440	2 534	2 617
B	LIM335	Maruleng																3 540	2 734	2 917
C	DC33	Mopani District Municipality	20 000	39 868	44 867													23 140	42 052	47 084
	<b>Total: Mopani Municipalities</b>		<b>20 000</b>	<b>39 868</b>	<b>44 867</b>				<b>5 000</b>	<b>5 000</b>	<b>5 000</b>							<b>46 348</b>	<b>59 922</b>	<b>65 409</b>
B	LIM341	Musina																3 540	2 734	2 917
B	LIM342	Mutale																3 540	2 734	2 917
B	LIM343	Thulamela																4 175	2 534	2 617
B	LIM344	Makhado																3 440	2 534	2 617
C	DC34	Vhembe District Municipality	57 219	61 272	62 130													64 014	63 456	64 347
	<b>Total: Vhembe Municipalities</b>		<b>57 219</b>	<b>61 272</b>	<b>62 130</b>													<b>78 709</b>	<b>73 992</b>	<b>75 415</b>
B	LIM351	Bhombeng																3 540	2 734	2 917
B	LIM352	Aganang																3 540	2 734	2 917
B	LIM353	Motemole																3 440	2 534	2 617
B	LIM354	Potokwane	10 000			3 200	4 240	4 494										30 354	11 970	13 411
B	LIM355	Lepelle-Skumpi																28 809	24 886	42 217
C	DC35	Capricorn District Municipality	20 669	17 702	30 000				5 000	5 000	10 000							28 809	24 886	42 217
	<b>Total: Capricorn Municipalities</b>		<b>20 669</b>	<b>17 702</b>	<b>36 000</b>	<b>3 200</b>	<b>4 240</b>	<b>4 494</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>							<b>73 321</b>	<b>47 392</b>	<b>66 096</b>
B	LIM361	Thabazimbi																3 440	2 534	2 617
B	LIM362	Lephalale																8 555	2 534	7 617
B	LIM364	Mokgopong	5 000															3 540	2 734	2 917
B	LIM365	Medunmetse																8 440	7 534	2 617
B	LIM366	Bela-Bela																3 440	2 534	2 617
B	LIM367	Mogalakwena	5 000															8 594	2 534	7 617
C	DC36	Waterberg District Municipality	10 000															3 140	2 184	2 217
	<b>Total: Waterberg Municipalities</b>		<b>10 000</b>						<b>5 000</b>	<b>5 000</b>								<b>39 149</b>	<b>22 588</b>	<b>28 219</b>
B	LIM471	Ephraim Mogale																8 440	7 534	2 617
B	LIM472	Elias Mposaledi																3 440	2 534	2 617
B	LIM473	Mkhuthumanga																3 440	2 534	2 617
B	LIM474	Feakgomo																3 540	2 734	2 917
B	LIM475	Greater Tubatse	15 000	41 946	51 945													3 440	2 534	2 617
C	DC47	Sekhukhune District Municipality	15 000	41 946	51 945													18 140	47 130	57 342
	<b>Total: Sekhukhune Municipalities</b>		<b>15 000</b>	<b>41 946</b>	<b>51 945</b>				<b>5 000</b>	<b>5 000</b>								<b>40 440</b>	<b>65 000</b>	<b>70 727</b>
	<b>Total: Limpopo Municipalities</b>		<b>132 888</b>	<b>160 788</b>	<b>204 942</b>	<b>3 200</b>	<b>7 240</b>	<b>7 674</b>	<b>30 000</b>	<b>25 000</b>	<b>15 000</b>							<b>277 967</b>	<b>268 894</b>	<b>306 526</b>

ANNEXURE W4  
 SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B): CURRENT GRANTS 2 OF 2

Category	Municipality	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy Efficiency and Demand Side Management Grant		2014 African Nations Championship Host City Operating Grant		Integrated City Development Grant		SUB-TOTAL: CURRENT		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>MPUMALANGA</b>														
B	MP301 Albert Luthuli		9 007										11 541	10 516
B	MP302 Msakaligwa	12 260											2 534	2 617
B	MP303 Mkhondo		7 899										2 534	2 617
B	MP304 Pixley Ka Seme												2 534	2 617
B	MP305 Lekwa												2 534	2 617
B	MP306 Dipalesong												2 734	2 917
B	MP307 Govan Mbeki												2 534	2 617
C	DC30 Gert Sibande District Municipality												2 184	2 217
	<b>Total: Gert Sibande Municipalities</b>	<b>12 260</b>	<b>9 007</b>	<b>7 899</b>									<b>29 129</b>	<b>28 735</b>
B	MP311 Victor Khanye												2 534	2 617
B	MP312 Emalahleni												2 534	2 617
B	MP313 Steve Tshwete												7 534	7 617
B	MP314 Enakhezani												2 734	2 917
B	MP315 Thembisile	5 000	5 000	5 000									7 534	7 617
B	MP316 Dr JS Moroka	10 925	10 000	15 000									12 534	17 617
C	DC31 Nkangala District Municipality												3 140	2 217
	<b>Total: Nkangala Municipalities</b>	<b>15 925</b>	<b>15 000</b>	<b>20 000</b>				<b>5 000</b>	<b>5 000</b>	<b>10 000</b>			<b>37 588</b>	<b>48 219</b>
B	MP321 Thaba Chweu	3 000	3 000	3 000									5 534	5 617
B	MP322 Mboombela	9 180	10 630	10 455									13 164	15 077
B	MP323 Unjindi												2 534	2 617
B	MP324 Nkomazi	8 493	4 000	4 127									6 534	6 744
B	MP325 Bushbuckridge	10 522	25 000	30 000									27 534	32 617
C	DC32 Ehlanzeni District Municipality												2 134	2 467
	<b>Total: Ehlanzeni Municipalities</b>	<b>31 195</b>	<b>42 630</b>	<b>47 582</b>				<b>5 000</b>	<b>10 000</b>	<b>2 005</b>			<b>57 234</b>	<b>65 139</b>
	<b>Total: Mpumalanga Municipalities</b>	<b>59 380</b>	<b>66 637</b>	<b>75 481</b>				<b>15 000</b>	<b>5 000</b>	<b>12 005</b>			<b>124 451</b>	<b>142 093</b>

ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B): CURRENT GRANTS 2 OF 2

Category	Municipality	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy Efficiency and Demand Side Management Grant		2014 African Nations Championship Host City Operating Grant		Integrated City Development Grant		SUB-TOTAL: CURRENT			
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year			
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>NORTHERN CAPE</b>															
B	NC061												3 540	2 734	2 917
B	NC062												3 440	2 534	2 617
B	NC064												3 540	2 734	2 917
B	NC065												3 540	2 734	2 917
B	NC066												3 540	2 734	2 917
B	NC067												3 540	2 734	2 917
C	DC6												3 140	2 184	2 217
	<b>Total: Namakwa Municipalities</b>												<b>24 280</b>	<b>18 388</b>	<b>19 419</b>
B	NC071												3 540	2 734	2 917
B	NC072					5 000							8 540	7 734	12 917
B	NC073							10 000					3 440	2 534	2 617
B	NC074												3 540	2 734	2 917
B	NC075												3 540	2 734	2 917
B	NC076												3 540	2 734	2 917
B	NC077												3 540	2 734	2 917
B	NC078												3 540	2 734	2 917
C	DC7					5 000							3 140	2 184	2 217
	<b>Total: Pixley Ka Seme District Municipality</b>					<b>5 000</b>		<b>5 000</b>					<b>36 360</b>	<b>28 856</b>	<b>35 253</b>
B	NC081												3 540	2 734	2 917
B	NC082												3 540	2 734	2 917
B	NC083												3 440	2 534	2 617
B	NC084												3 540	2 734	2 917
B	NC085												3 540	2 734	2 917
B	NC086												3 540	2 734	2 917
C	DC8												3 140	2 184	2 217
	<b>Total: Siyanda District Municipality</b>												<b>24 280</b>	<b>18 388</b>	<b>19 419</b>
B	NC091												17 058	11 986	17 336
B	NC092					3 000	4 452	4 719					3 540	2 734	2 917
B	NC093												3 540	2 734	2 917
B	NC094			13 000									13 440	15 534	15 617
C	DC9			13 000									3 140	2 184	2 219
	<b>Total: Frances Baard District Municipality</b>			<b>13 000</b>		<b>3 000</b>	<b>4 452</b>	<b>4 719</b>					<b>40 718</b>	<b>35 172</b>	<b>41 006</b>
B	NC451			8 000									11 440	7 534	2 617
B	NC452			6 500									9 940	14 034	7 617
B	NC453												3 440	2 534	2 617
C	DC45					3 000	3 180	3 180					3 140	5 184	5 397
	<b>Total: John Taolo Gaetsewe District Municipality</b>			<b>14 500</b>		<b>3 000</b>	<b>3 180</b>	<b>3 180</b>					<b>27 960</b>	<b>29 286</b>	<b>18 248</b>
	<b>Total: Northern Cape Municipalities</b>			<b>24 500</b>		<b>3 000</b>	<b>7 452</b>	<b>7 899</b>					<b>153 598</b>	<b>130 090</b>	<b>133 345</b>



ANNEXURE W4  
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B): CURRENT GRANTS 2 OF 2

Category	Municipality	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy Efficiency and Demand Side Management Grant		2014 African Nations Championship Host City Operating Grant		Integrated City Development Grant		SUB-TOTAL: CURRENT		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)
<b>WESTERN CAPE</b>														
A	CPT City of Cape Town					11 000	5 415	10 000	63 000	10 364		470 215	224 213	229 250
B	WC011 Matzikama	340	360									3 530	2 744	2 844
B	WC012 Cederberg	2 000	2 500	377								5 190	4 884	3 267
B	WC013 Bergvliet			800								3 190	2 384	2 467
B	WC014 Saldanha Bay											3 744	2 384	2 467
B	WC015 Swartland					5 000	5 000					8 190	7 384	2 467
C	DC1 West Coast District Municipality											3 140	2 184	2 217
	<b>Total: West Coast Municipalities</b>	<b>2 340</b>	<b>2 860</b>	<b>1 177</b>		<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>63 000</b>			<b>26 984</b>	<b>21 964</b>	<b>15 729</b>
B	WC022 Witzenberg											3 190	2 384	2 467
B	WC023 Drakenstein											8 190	7 384	7 467
B	WC024 Stellenbosch							5 000				3 950	2 384	2 467
B	WC025 Breede Valley											3 190	2 384	2 467
B	WC026 Langeberg											3 190	2 384	2 467
C	DC2 Cape Winelands District Municipality											3 140	2 184	2 217
	<b>Total: Cape Winelands Municipalities</b>					<b>5 000</b>	<b>5 000</b>	<b>5 000</b>				<b>24 850</b>	<b>19 104</b>	<b>19 852</b>
B	WC031 Theewaterskloof											3 390	2 534	2 616
B	WC032 Overstrand											3 434	2 384	2 466
B	WC033 Cape Agulhas											3 190	2 384	2 466
B	WC034 Swellendam											3 290	2 534	2 716
C	DC3 Overberg District Municipality											3 140	2 184	2 216
	<b>Total: Overberg Municipalities</b>											<b>16 444</b>	<b>12 020</b>	<b>12 480</b>
B	WC041 Kammanland											3 290	2 534	2 717
B	WC042 Hesseletun											3 190	2 384	2 467
B	WC043 Mossel Bay											4 430	2 384	2 467
B	WC044 George							5 000				102 864	62 285	56 497
B	WC045 Outshoorn					5 000	5 000					11 790	3 189	3 037
B	WC047 Bitou	7 800	805	570								3 190	2 384	2 467
B	WC048 Knysna											3 190	2 384	2 467
C	DC4 Eden District Municipality											3 140	2 184	2 217
	<b>Total: Eden Municipalities</b>	<b>7 800</b>	<b>805</b>	<b>570</b>		<b>5 000</b>	<b>5 000</b>	<b>5 000</b>				<b>135 084</b>	<b>79 728</b>	<b>74 336</b>
B	WC051 Lingsburg											3 390	2 634	2 817
B	WC052 Prince Albert											3 340	2 534	2 717
B	WC053 Beaufort West											3 140	2 534	2 617
C	DC5 Central Karoo District Municipality											13 210	9 886	10 368
	<b>Total: Central Karoo Municipalities</b>													
	<b>Total: Western Cape Municipalities</b>	<b>10 140</b>	<b>3 665</b>	<b>1 747</b>	<b>3 000</b>	<b>4 452</b>	<b>4 719</b>	<b>20 415</b>	<b>63 000</b>	<b>10 364</b>		<b>686 787</b>	<b>366 915</b>	<b>361 715</b>
	<b>Unallocated</b>											<b>403 500</b>	<b>1 145 905</b>	<b>1 187 390</b>
	<b>National Total</b>	<b>420 945</b>	<b>449 558</b>	<b>470 239</b>	<b>98 500</b>	<b>154 425</b>	<b>179 226</b>	<b>202 005</b>	<b>120 000</b>	<b>40 000</b>		<b>3 363 751</b>	<b>3 351 410</b>	<b>3 631 743</b>

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 4B AND 5B)**

**(National and Municipal Financial Years)**

ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 4B AND 5B) 1 OF 2

Category	Municipality	Municipal Infrastructure Grant			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant (Capital Grant)			Public Transport Infrastructure Grant			Rural Households Infrastructure Grant		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>EASTERN CAPE</b>																
A	BUF															
A	NMA															
B	EC101	14 939	13 130	13 640												
B	EC102	19 315	15 891	14 304												
B	EC103	9 725	8 002	7 934												
B	EC104	27 998	23 309	24 365												
B	EC105	25 853	25 814	27 258												
B	EC106	23 346	24 161	25 576												
B	EC107	12 030	9 898	9 009												
B	EC108	28 327	29 850	31 725												
B	EC109	16 864	14 772	15 379												
C	DC10															
	<b>Total: Cacadu Municipalities</b>	<b>178 397</b>	<b>164 827</b>	<b>169 190</b>												
B	EC121	47 214	54 066	58 175												
B	EC122	56 046	60 055	64 219												
B	EC123	13 696	12 821	13 354												
B	EC124	29 110	31 255	33 298												
B	EC126	21 493	22 769	24 147												
B	EC127	29 147	32 228	34 446												
B	EC128	11 136	9 454	9 724												
C	DC12	399 847	426 071	456 324												
	<b>Total: Amathole District Municipality</b>	<b>607 689</b>	<b>648 719</b>	<b>693 687</b>												
B	EC131	14 104	15 222	16 084												
B	EC132	11 823	12 365	12 969												
B	EC133	9 485	9 156	9 470												
B	EC134	34 537	37 617	40 190												
B	EC135	35 042	38 883	41 631												
B	EC136	27 281	30 991	33 202												
B	EC137	31 257	35 830	38 463												
B	EC138	16 596	17 474	18 455												
C	DC13	327 771	277 975	285 110												
	<b>Total: Chris Hani District Municipality</b>	<b>507 896</b>	<b>475 513</b>	<b>495 574</b>												
B	EC141	32 048	36 511	39 176												
B	EC142	31 953	35 863	38 420												
B	EC143	14 526	12 033	12 438												
B	EC144	11 434	10 981	11 411												
C	DC14	165 792	151 566	160 521												
	<b>Total: Joe Gqabi District Municipality</b>	<b>255 753</b>	<b>246 954</b>	<b>261 966</b>												
B	EC153	44 591	50 630	54 415												
B	EC154	28 366	32 020	34 293												
B	EC155	48 566	56 367	60 740												
B	EC156	37 221	40 703	43 528												
B	EC157	68 872	80 133	86 487												
C	DC15	648 134	641 891	641 891												
	<b>Total: O.R. Tambo District Municipality</b>	<b>875 750</b>	<b>864 621</b>	<b>921 354</b>												
B	EC441	40 457	45 792	49 174												
B	EC442	40 066	43 323	46 294												
B	EC443	40 297	45 024	48 282												
B	EC444	24 271	25 592	27 163												
C	DC44	354 885	357 608	381 134												
	<b>Total: Alfred Nzo District Municipality</b>	<b>499 976</b>	<b>517 339</b>	<b>552 047</b>												
	<b>Total: Eastern Cape Municipalities</b>	<b>2 925 461</b>	<b>2 917 973</b>	<b>3 093 818</b>	<b>1 341 291</b>	<b>1 527 153</b>	<b>1 581 102</b>	<b>75 000</b>	<b>45 000</b>	<b>45 000</b>	<b>70 000</b>	<b>170 000</b>	<b>25 011</b>	<b>26 500</b>	<b>24 328</b>	







**ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 4B AND 5B) 1 OF 2**

Category	Municipality	Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant		
		National and Municipal Financial Year 2013/14 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)	National and Municipal Financial Year 2013/14 (R'000)	2014/15 (R'000)
<b>LIMPOPO</b>												
B	LIM331 Greater Giyani	47 115	56 090									
B	LIM332 Greater Letaba	46 950	53 480							4 500	4 000	5 000
B	LIM333 Greater Tzaneen	73 247	87 151							4 000	4 500	4 500
B	LIM334 Bb-Phalaborwa	25 614	29 790			5 000						
B	LIM335 Maruleng	28 647	25 322			5 000						
C	DC33 Mopani District Municipality	375 582	429 825									
	<b>Total: Mopani Municipalities</b>	<b>597 155</b>	<b>681 658</b>			<b>10 000</b>				<b>8 500</b>	<b>8 500</b>	<b>9 500</b>
B	LIM341 Musina	16 844	18 955									
B	LIM342 Tuttle	20 783	24 075									
B	LIM343 Thulamela	103 356	126 563							4 000	4 500	4 500
B	LIM344 Mkhado	89 200	107 173									
C	DC34 Vhembe District Municipality	424 565	486 890									
	<b>Total: Vhembe Municipalities</b>	<b>654 748</b>	<b>763 656</b>							<b>4 000</b>	<b>4 500</b>	<b>4 500</b>
B	LIM351 Blouberg	34 565	38 434									
B	LIM352 Aganang	29 138	32 179									
B	LIM353 Molemole	26 301	28 962									
B	LIM354 Polokwane	242 188	266 872					198 761				
B	LIM355 Lepale-Nkumpi	42 903	49 957							4 000	4 500	4 500
C	DC35 Capricorn District Municipality	229 146	252 244									
	<b>Total: Capricorn Municipalities</b>	<b>604 241</b>	<b>668 648</b>					<b>198 761</b>		<b>4 000</b>	<b>4 500</b>	<b>4 500</b>
B	LIM361 Thabazimbi	40 019	32 926									
B	LIM362 Lephahle	41 353	36 013									
B	LIM364 Mookgopong	15 633	15 774									
B	LIM365 Modimolle	39 336	32 364									
B	LIM366 Beta-Beta	20 365	22 207									
B	LIM367 Mogalakwena	134 309	138 944									
C	DC36 Waterberg District Municipality											
	<b>Total: Waterberg Municipalities</b>	<b>291 015</b>	<b>278 228</b>									
B	LIM471 Ephraim Mogale	26 727	31 092									
B	LIM472 Elias Mootledi	43 596	50 878									
B	LIM473 Makhuduthamaga	49 870	57 495									
B	LIM474 Fetakgomo	19 835	21 401									
B	LIM475 Greater Tlofase	53 409	61 792			5 000				4 000	4 500	4 500
C	DC47 Sekhukhune District Municipality	425 416	451 447									
	<b>Total: Sekhukhune Municipalities</b>	<b>618 853</b>	<b>674 105</b>			<b>5 000</b>				<b>4 000</b>	<b>4 500</b>	<b>4 500</b>
	<b>Total: Limpopo Municipalities</b>	<b>2 766 012</b>	<b>3 066 295</b>			<b>15 000</b>		<b>5 000</b>		<b>20 500</b>	<b>22 000</b>	<b>23 000</b>





**ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 4B AND 5B) 1 OF 2**

Category	Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant	
	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)
<b>NORTH WEST</b>										
B NW371 Moretele	98 713	99 607								
B NW372 Mafikeng	220 456	244 878								
B NW373 Rustenburg	193 293	196 728					500 000	600 000		650 000
B NW374 Kgatlangrivier	21 083	22 728								
B NW375 Moses Kotane	124 541	130 930								
C DC37 Bojanala Platinum District Municipality										
<b>Total: Bojanala Platinum Municipalities</b>	<b>658 086</b>	<b>694 871</b>					<b>500 000</b>	<b>600 000</b>		<b>650 000</b>
B NW381 Ratlou	24 671	27 482							4 000	4 000
B NW382 Tswaing	26 007	27 511								
B NW383 Mafikeng	50 039	56 842								
B NW384 Ditsobotla	32 029	34 236								
B NW385 Ramotshere Moiloa	30 995	34 648								
C DC38 Ngaka Modiri Molema District Municipality	245 317	284 074								
<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>409 058</b>	<b>464 793</b>							<b>4 000</b>	<b>4 000</b>
B NW392 Naledi	15 106	16 060								
B NW393 Mamusu	15 892	14 998								
B NW394 Greater Taung	38 695	44 224					10 000	10 000		
B NW396 Lekwa-Teremane	15 179	14 159								
B NW397 NW397	28 346	28 400								
C DC39 Dr Ruth Segomosi Mompoti District Municipality	120 739	132 737								
<b>Total: Dr Ruth Segomosi Mompoti Municipalities</b>	<b>233 957</b>	<b>250 578</b>					<b>10 000</b>	<b>10 000</b>		<b>4 000</b>
B NW401 Ventersdorp	23 087	21 916								
B NW402 Tlokwe	42 735	45 483								
B NW403 City of Mafosana	115 870	95 331					10 000	10 000		
B NW404 Manguosi Hills	32 726	26 925								
C DC40 Dr Kenneth Kaunda District Municipality										
<b>Total: Dr Kenneth Kaunda Municipalities</b>	<b>214 418</b>	<b>189 655</b>					<b>20 000</b>	<b>19 179</b>		<b>20 000</b>
<b>Total: North West Municipalities</b>	<b>1 515 519</b>	<b>1 599 897</b>					<b>30 000</b>	<b>29 179</b>	<b>500 000</b>	<b>650 000</b>
									<b>8 000</b>	<b>8 000</b>

**ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULES 4B AND 5B) 1 OF 2**

Category	Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant										
	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)									
<b>WESTERN CAPE</b>																			
A	CPT - City of Cape Town			1 193 497		1 358 879		1 406 882		100 000		946 241		1 159 140		1 222 015			
B	WC011	Matzikama	19 022	20 101															
B	WC012	Cederberg	14 798	14 925															
B	WC013	Bergvliet	12 703	13 771															
B	WC014	Saldanha Bay	17 937	18 399															
B	WC015	Swartland	17 395	19 931															
C	DC1 - West Coast District Municipality																		
	<b>Total: West Coast Municipalities</b>		<b>81 855</b>	<b>87 127</b>	<b>92 124</b>														
B	WC022	Witzenberg	21 020	21 230															
B	WC023	Drakenstein	33 305	33 158															
B	WC024	Stellenbosch	29 469	33 336															
B	WC025	Breedevlei	30 960	32 373															
B	WC026	Langeberg	19 299	20 698															
C	DC2 - Cape Winelands District Municipality																		
	<b>Total: Cape Winelands Municipalities</b>		<b>134 053</b>	<b>140 795</b>	<b>149 546</b>														
B	WC031	Theewaterskloof	24 849	24 972															
B	WC032	Overstrand	18 755	20 687															
B	WC033	Cape Agulhas	10 209	10 536															
B	WC034	Swellendam	11 042	11 404															
C	DC3 - Overberg District Municipality																		
	<b>Total: Overberg Municipalities</b>		<b>64 855</b>	<b>67 599</b>	<b>71 291</b>														
B	WC041	Kamaland	10 934	9 930															
B	WC042	Hessequa	12 622	13 003															
B	WC043	Mossel Bay	19 940	22 545															
B	WC044	George	41 815	37 968															
B	WC045	Oudshoorn	18 824	20 450															
B	WC047	Bitou	16 845	18 926															
B	WC048	Kayasa	23 245	23 662															
C	DC4 - Eden District Municipality																		
	<b>Total: Eden Municipalities</b>		<b>144 225</b>	<b>146 484</b>	<b>154 869</b>														
B	WC051	Laingsburg	7 780	6 524															
B	WC052	Prince Albert	8 125	7 379															
B	WC053	Beaufort West	20 353	16 745															
C	DC5 - Central Karoo District Municipality																		
	<b>Total: Central Karoo Municipalities</b>		<b>36 258</b>	<b>30 648</b>	<b>28 129</b>														
	<b>Total: Western Cape Municipalities</b>		<b>461 246</b>	<b>472 653</b>	<b>495 959</b>	<b>1 193 497</b>	<b>1 358 879</b>	<b>1 406 882</b>	<b>1 406 882</b>	<b>115 041</b>	<b>100 000</b>	<b>115 000</b>	<b>1 036 871</b>	<b>1 220 945</b>	<b>1 277 704</b>				
	<b>National Total</b>		<b>14 352 060</b>	<b>14 683 835</b>	<b>15 448 070</b>	<b>9 076 906</b>	<b>10 334 684</b>	<b>10 699 773</b>	<b>598 041</b>	<b>591 179</b>	<b>600 000</b>	<b>4 668 676</b>	<b>5 126 029</b>	<b>5 278 881</b>	<b>1 113 124</b>	<b>1 06 721</b>	<b>118 328</b>		

ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B) 2 OF 2

Category	Municipality	Rural Roads Assets Management Systems Grant				Integrated National Electrification Programme (Municipal) Grant				Municipal Water Infrastructure Grant				SUB-TOTAL: INFRASTRUCTURE			
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year			
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>EASTERN CAPE</b>																	
A	BUF Buffalo City																
A	NMA Nelson Mandela Bay																
B	EC101 Camdeboo																
B	EC102 Blue Crane Route																
B	EC103 Ikwezi																
B	EC104 Makana																
B	EC105 Ndlambe																
B	EC106 Sundays River Valley																
B	EC107 Baviaans																
B	EC108 Kouga																
B	EC109 Kou-Kamma																
C	DC10 Cacadu District Municipality	1 902	2 110	2 200													
	<b>Total: Cacadu Municipalities</b>	<b>1 902</b>	<b>2 110</b>	<b>2 200</b>	<b>9 705</b>	<b>9 000</b>	<b>14 000</b>	<b>14 000</b>	<b>12 300</b>	<b>28 850</b>	<b>28 850</b>	<b>88 850</b>	<b>88 850</b>	<b>88 850</b>	<b>88 850</b>	<b>88 850</b>	
B	EC121 Mbashe																
B	EC122 Mquna																
B	EC123 Great Kei																
B	EC124 Amathlathi																
B	EC126 Ngushwa																
B	EC127 Nkonkebe																
B	EC128 Nxuba																
C	DC12 Amathole District Municipality	2 347	2 708	2 778													
	<b>Total: Amathole Municipalities</b>	<b>2 347</b>	<b>2 708</b>	<b>2 778</b>	<b>45 245</b>	<b>62 000</b>	<b>50 000</b>	<b>50 000</b>	<b>12 300</b>	<b>28 850</b>	<b>28 850</b>	<b>88 850</b>	<b>88 850</b>	<b>88 850</b>	<b>88 850</b>	<b>88 850</b>	
B	EC131 Inxuba Yethemba																
B	EC132 Tsolwana																
B	EC133 Inkwanqa																
B	EC134 Lukenji																
B	EC135 Inskaka Yethu																
B	EC136 Emalahleni																
B	EC137 Engobo																
B	EC138 Sakhiszwe																
C	DC13 Chris Hani District Municipality	2 589	2 980	3 060													
	<b>Total: Chris Hani Municipalities</b>	<b>2 589</b>	<b>2 980</b>	<b>3 060</b>	<b>38 232</b>	<b>65 000</b>	<b>75 000</b>	<b>75 000</b>	<b>29 372</b>	<b>48 528</b>	<b>48 528</b>	<b>140 608</b>	<b>140 608</b>	<b>140 608</b>	<b>140 608</b>	<b>140 608</b>	
B	EC141 Elundini																
B	EC142 Senqu																
B	EC143 Maleswazi																
B	EC144 Ganipe																
C	DC14 Joe Gqabi District Municipality	1 778	2 084	2 124													
	<b>Total: Joe Gqabi Municipalities</b>	<b>1 778</b>	<b>2 084</b>	<b>2 124</b>	<b>9 654</b>	<b>12 000</b>	<b>95 000</b>	<b>95 000</b>	<b>15 002</b>	<b>20 009</b>	<b>20 009</b>	<b>25 011</b>	<b>25 011</b>	<b>25 011</b>	<b>25 011</b>	<b>25 011</b>	
B	EC153 Nguza Hill																
B	EC154 Port St Johns																
B	EC155 Nyandeni																
B	EC156 Mhlonlo																
B	EC157 King Sabata Dalindyebo																
C	DC15 O.R.Tambo District Municipality	2 290	2 687	2 737													
	<b>Total: O.R.Tambo Municipalities</b>	<b>2 290</b>	<b>2 687</b>	<b>2 737</b>	<b>99 639</b>	<b>55 000</b>	<b>95 000</b>	<b>95 000</b>	<b>14 886</b>	<b>99 442</b>	<b>99 442</b>	<b>124 303</b>	<b>124 303</b>	<b>124 303</b>	<b>124 303</b>	<b>124 303</b>	
B	EC441 Matatiele																
B	EC442 Umzimvubu																
B	EC443 Mbzana																
B	EC444 Ntabankulu																
C	DC44 Alfred Nzo District Municipality	1 795	2 104	2 144													
	<b>Total: Alfred Nzo Municipalities</b>	<b>1 795</b>	<b>2 104</b>	<b>2 144</b>	<b>140 000</b>	<b>120 000</b>	<b>110 000</b>	<b>110 000</b>	<b>15 218</b>	<b>54 857</b>	<b>54 857</b>	<b>91 071</b>	<b>91 071</b>	<b>91 071</b>	<b>91 071</b>	<b>91 071</b>	
	<b>Total: Eastern Cape Municipalities</b>	<b>12 701</b>	<b>14 673</b>	<b>15 043</b>	<b>384 804</b>	<b>360 000</b>	<b>437 000</b>	<b>437 000</b>	<b>86 778</b>	<b>251 686</b>	<b>251 686</b>	<b>469 843</b>	<b>469 843</b>	<b>469 843</b>	<b>469 843</b>	<b>469 843</b>	





**ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B) 2 OF 2**

Category	Municipality	Rural Roads Assets Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		SUB-TOTAL: INFRASTRUCTURE		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	
B	KZN261 eDumbe			10 000	6 000	10 000		26 032	23 051	28 021
B	KZN262 uPhongolo			20 000	9 000	12 000		43 685	35 807	40 672
B	KZN263 Abaqulusi			20 000	15 000	10 000		49 982	49 182	46 663
B	KZN265 Nongoma			20 000	20 000	15 000		51 843	53 831	51 820
B	KZN266 Ulundi			5 000	5 000	10 000		32 381	34 019	40 853
C	DC26 Zululand District Municipality	1 866	2 167	75 000	55 000	57 000	37 170	300 581	262 994	311 789
	<b>Total: Zululand Municipalities</b>	<b>1 866</b>	<b>2 167</b>	<b>75 000</b>	<b>55 000</b>	<b>57 000</b>	<b>37 170</b>	<b>504 504</b>	<b>458 884</b>	<b>519 818</b>
B	KZN271 Umhlabuyalingana			10 000	16 000	10 000		38 502	48 513	44 861
B	KZN272 Jozini			20 000	15 000	12 000		55 891	53 940	54 333
B	KZN273 The Big 5 False Bay			5 000	10 000	10 000		15 925	21 161	21 649
B	KZN274 Hlabisa			10 000	15 000	10 000		22 829	28 909	24 680
B	KZN275 Mtubatuba			5 000	8 000	10 000		30 498	37 544	41 701
C	DC27 Umkhanyakude District Municipality	2 101	2 440	50 000	64 000	52 000	27 074	244 472	235 616	275 229
	<b>Total: Umkhanyakude Municipalities</b>	<b>2 101</b>	<b>2 440</b>	<b>50 000</b>	<b>64 000</b>	<b>52 000</b>	<b>27 074</b>	<b>408 117</b>	<b>425 683</b>	<b>462 453</b>
B	KZN281 Mfolozi			5 000	7 000	9 000		25 640	30 467	34 077
B	KZN282 uMhlatuze			3 000	10 000	22 000		93 733	95 394	102 110
B	KZN283 Ntambanana			10 000	20 000	17 000		23 412	34 604	37 434
B	KZN284 uMlalazi			9 000	12 000	17 000		45 567	53 523	62 313
B	KZN285 Mthonjaneni			20 000	25 000	50 000		12 487	12 616	13 187
B	KZN286 Nkandla							41 081	46 595	72 805
C	DC28 uThungulu District Municipality	1 746	2 305	47 000	64 000	98 000	57 025	244 114	235 740	350 237
	<b>Total: Uthungulu Municipalities</b>	<b>1 746</b>	<b>2 305</b>	<b>47 000</b>	<b>64 000</b>	<b>98 000</b>	<b>57 025</b>	<b>486 034</b>	<b>508 939</b>	<b>672 163</b>
B	KZN291 Mandeni			12 000	5 000	10 000		34 347	37 980	40 313
B	KZN292 KwaDukuza			14 000	11 000	15 000		58 841	57 976	61 598
B	KZN293 Ndwedwe			10 000	11 000	15 000		43 918	42 954	49 765
B	KZN294 Maphumulo			10 000	11 000	15 000		30 317	32 082	37 288
C	DC29 iLembe District Municipality	1 807	2 120	36 000	27 000	40 000	49 692	229 000	231 234	418 971
	<b>Total: iLembe Municipalities</b>	<b>1 807</b>	<b>2 120</b>	<b>36 000</b>	<b>27 000</b>	<b>40 000</b>	<b>49 692</b>	<b>396 423</b>	<b>402 226</b>	<b>607 935</b>
B	KZN431 Ingwe							21 621	23 512	25 012
B	KZN432 Kwa Sani							9 083	7 479	7 621
B	KZN433 Greater Kokstad							18 342	16 552	17 293
B	KZN434 Ubuhlebezwe			10 000	15 000	20 000		22 058	23 568	25 029
B	KZN435 Umzimkhulu	1 814	2 044					68 707	60 557	68 305
C	DC43 Sisonke District Municipality	1 814	2 044	10 000	15 000	20 000	13 700	328 923	343 675	389 394
	<b>Total: Sisonke Municipalities</b>	<b>1 814</b>	<b>2 044</b>	<b>10 000</b>	<b>15 000</b>	<b>20 000</b>	<b>13 700</b>	<b>328 923</b>	<b>343 675</b>	<b>389 394</b>
	<b>Total: KwaZulu-Natal Municipalities</b>	<b>19 112</b>	<b>22 273</b>	<b>396 000</b>	<b>337 000</b>	<b>364 000</b>	<b>267 463</b>	<b>6 379 315</b>	<b>6 679 034</b>	<b>7 687 894</b>

**ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B) 2 OF 2**

Category	Municipality	Rural Roads Assets Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		SUB-TOTAL: INFRASTRUCTURE		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	
<b>LIMPOPO</b>										
B	LIM331 Greater Giyani			12 000	10 000	10 000		63 615	70 090	75 585
B	LIM332 Greater Letlba			20 000	25 000	25 000		46 950	53 480	57 511
B	LIM333 Greater Tzaneen							102 247	116 651	123 784
B	LIM334 Ba-Phalaborwa							30 614	34 790	36 978
B	LIM335 Maruleng							28 647	25 322	26 578
C	DC33 Mopani District Municipality	1 726	1 995	2 045	2 045	35 000	16 906	394 214	474 891	568 235
	<b>Total: Mopani Municipalities</b>	<b>1 726</b>	<b>1 995</b>	<b>2 045</b>	<b>2 045</b>	<b>35 000</b>	<b>16 906</b>	<b>666 287</b>	<b>775 224</b>	<b>888 071</b>
B	LIM341 Musina							16 844	18 955	20 182
B	LIM342 Mutale							20 783	24 075	25 781
B	LIM343 Thulamela			50 000	40 000	50 000		157 356	171 063	191 906
B	LIM344 Makhado			25 000	20 000	25 000		114 200	127 173	141 112
C	DC34 Vhembe District Municipality	1 667	1 948	1 988	1 988	75 000	37 903	464 135	559 724	742 557
	<b>Total: Vhembe Municipalities</b>	<b>1 667</b>	<b>1 948</b>	<b>1 988</b>	<b>1 988</b>	<b>75 000</b>	<b>37 903</b>	<b>773 318</b>	<b>900 990</b>	<b>1 121 538</b>
B	LIM351 Blouberg			10 000	10 000	10 000		44 565	48 434	51 156
B	LIM352 Aganang							29 138	32 179	34 389
B	LIM353 Molemole			35 000	35 000	60 000		26 301	28 962	30 915
B	LIM354 Polokwane			5 000	10 000	15 000		475 949	301 872	347 146
B	LIM355 Lepelle-Nkumpi							51 903	64 457	73 319
C	DC35 Capricorn District Municipality	1 880	2 184	2 234	2 234	50 000	9 464	240 490	281 807	324 556
	<b>Total: Capricorn Municipalities</b>	<b>1 880</b>	<b>2 184</b>	<b>2 234</b>	<b>2 234</b>	<b>50 000</b>	<b>9 464</b>	<b>868 346</b>	<b>757 711</b>	<b>861 481</b>
B	LIM361 Thabazimbi							40 019	32 926	30 039
B	LIM362 Lephalele							41 353	36 013	37 889
B	LIM364 Mookgongong			7 300	7 000			15 633	15 774	16 556
B	LIM365 Modimolle							46 636	39 364	23 516
B	LIM366 Bela-Bela			16 000	10 000	20 000		20 365	22 207	23 616
B	LIM367 Mogalakwena							150 309	148 944	168 198
C	DC36 Waterberg District Municipality	1 571	1 779	1 839	1 839	23 300	17 000	1 571	1 779	1 839
	<b>Total: Waterberg Municipalities</b>	<b>1 571</b>	<b>1 779</b>	<b>1 839</b>	<b>1 839</b>	<b>23 300</b>	<b>17 000</b>	<b>315 886</b>	<b>297 007</b>	<b>301 653</b>
B	LIM471 Ephraim Mogale							26 727	31 092	33 388
B	LIM472 Elias Mokoaledi			10 000	10 000	10 000		53 596	60 878	64 828
B	LIM473 Makhuduthamaga			5 000	5 000	10 000		54 870	62 495	71 922
B	LIM474 Fetakgomo							19 835	21 401	22 723
B	LIM475 Greater Tubatse			7 000				69 409	66 292	71 092
C	DC47 Sekhukhune District Municipality	1 781	2 063	2 113	2 113	22 000	29 200	456 397	540 024	636 023
	<b>Total: Sekhukhune Municipalities</b>	<b>1 781</b>	<b>2 063</b>	<b>2 113</b>	<b>2 113</b>	<b>22 000</b>	<b>29 200</b>	<b>680 834</b>	<b>782 182</b>	<b>899 976</b>
	<b>Total: Limpopo Municipalities</b>	<b>8 625</b>	<b>9 969</b>	<b>10 219</b>	<b>10 219</b>	<b>202 300</b>	<b>182 000</b>	<b>3 304 671</b>	<b>3 513 114</b>	<b>4 073 319</b>



**ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B) 2 OF 2**

Category	Municipality	Rural Roads Assets Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		SUB-TOTAL: INFRASTRUCTURE		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	
<b>NORTHERN CAPE</b>										
B	NC061 Richtersveld							8 192	7 184	7 334
B	NC062 Nama Khoi							27 274	32 185	39 577
B	NC064 Kameberg							11 263	9 129	7 548
B	NC065 Hartam							12 098	9 953	9 705
B	NC066 Karoo Hoogland							10 805	8 890	8 113
B	NC067 Kibi-Ma							11 381	8 376	7 784
C	DC6 Namakwa District Municipality		2 376							2 376
	<b>Total: Namakwa Municipalities</b>		<b>2 376</b>	<b>13 368</b>	<b>18 200</b>	<b>25 000</b>		<b>81 013</b>	<b>75 717</b>	<b>82 437</b>
B	NC071 Ubuntu			3 200				14 127	9 658	9 962
B	NC072 Umsobomvu			3 500	2 000	6 000		17 050	13 148	17 478
B	NC073 Embanjeni			805				16 129	12 608	12 145
B	NC074 Kareberg			1 100				9 089	7 850	8 033
B	NC075 Renosterberg							10 509	7 741	7 476
B	NC076 Thembehlhe			2 335				12 882	10 598	9 443
B	NC077 Siyathemba			2 600	2 000			14 135	9 708	9 821
B	NC078 Siyancuma							22 075	18 023	16 588
C	DC7 Pixley Ka Seme District Municipality		2 657							2 657
	<b>Total: Pixley Ka Seme Municipalities</b>		<b>2 657</b>	<b>13 540</b>	<b>4 000</b>	<b>6 000</b>		<b>115 996</b>	<b>89 334</b>	<b>93 003</b>
B	NC081 Mier							10 808	8 892	6 844
B	NC082 Ikal Igarib							20 570	21 190	22 386
B	NC083 //Khara Hais			10 000	6 000	10 000		32 586	28 044	33 211
B	NC084 IKheis							13 168	10 834	10 682
B	NC085 Tsansabane							14 282	14 767	15 524
B	NC086 Kgatelopele							8 898	7 846	8 056
C	DC8 Siyanda District Municipality		2 394							2 394
	<b>Total: Siyanda Municipalities</b>		<b>2 394</b>	<b>10 000</b>	<b>6 000</b>	<b>10 000</b>		<b>100 312</b>	<b>91 573</b>	<b>99 077</b>
B	NC091 Sol Plaatje			10 000	10 000	20 000		72 243	67 239	79 884
B	NC092 Dikgatlong			6 900	2 800	3 000		31 221	22 810	22 333
B	NC093 Magareng			7 750				20 185	10 791	11 152
B	NC094 Phokwane							25 052	24 850	26 222
C	DC9 Frances Baard District Municipality		2 153							2 153
	<b>Total: Frances Baard Municipalities</b>		<b>2 153</b>	<b>24 650</b>	<b>12 800</b>	<b>23 000</b>		<b>148 681</b>	<b>125 690</b>	<b>141 744</b>
B	NC451 Joe Mero long							62 289	72 095	65 739
B	NC452 Ga-Segonyana			2 000	2 000	3 000	7 056	67 124	71 729	78 847
B	NC453 Gannagara			6 400	5 000	6 000	3 543	23 215	16 643	18 210
C	DC45 John Taolo Gaetsewe District Municipality	1 465	1 725	1 755			5 792	1 465	1 725	1 755
	<b>Total: John Taolo Gaetsewe Municipalities</b>	<b>1 465</b>	<b>1 725</b>	<b>8 400</b>	<b>7 000</b>	<b>9 000</b>	<b>16 371</b>	<b>154 093</b>	<b>162 192</b>	<b>164 551</b>
	<b>Total: Northern Cape Municipalities</b>	<b>1 465</b>	<b>1 725</b>	<b>69 958</b>	<b>48 000</b>	<b>73 000</b>	<b>16 371</b>	<b>600 095</b>	<b>544 506</b>	<b>581 412</b>

**ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B) 2 OF 2**

Category	Municipality	Rural Roads Assets Management Systems Grant			Integrated National Electrification Programme (Municipal) Grant			Municipal Water Infrastructure Grant			SUB-TOTAL: INFRASTRUCTURE			
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>NORTH WEST</b>														
B	NW371											98 713	99 607	105 899
B	NW372											223 470	254 878	283 411
B	NW373											693 293	811 728	879 838
B	NW374											21 083	22 728	23 976
B	NW375											124 541	130 930	140 052
C	DC37		1 936	2 010								1 936	1 936	2 010
	<b>Total: Bojanala Platinum Municipalities</b>		<b>1 936</b>	<b>2 010</b>		<b>25 000</b>	<b>40 000</b>					<b>1 161 100</b>	<b>1 321 807</b>	<b>1 435 186</b>
B	NW381											28 671	31 982	33 354
B	NW382											43 315	32 511	44 229
B	NW383											50 039	56 842	61 128
B	NW384											32 449	39 236	51 482
B	NW385											40 995	44 648	51 094
C	DC38		2 313	2 360								267 219	317 454	371 195
	<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>1 985</b>	<b>2 313</b>	<b>2 360</b>		<b>20 000</b>	<b>44 000</b>		<b>19 917</b>	<b>31 067</b>		<b>462 688</b>	<b>522 673</b>	<b>612 482</b>
B	NW392											35 106	31 060	26 958
B	NW393											15 892	19 998	20 676
B	NW394											52 695	58 724	61 525
B	NW396											15 179	16 159	19 775
B	NW397											28 346	28 400	30 021
C	DC39		2 225	2 275								131 353	134 962	144 718
	<b>Total: Dr Ruth Segomotsi Mompati District Municipality</b>	<b>1 914</b>	<b>2 225</b>	<b>2 275</b>		<b>20 000</b>	<b>20 000</b>		<b>8 700</b>	<b>8 700</b>		<b>278 571</b>	<b>289 303</b>	<b>303 673</b>
B	NW401											36 637	31 916	28 045
B	NW402											52 735	65 483	83 536
B	NW403											132 370	114 510	112 345
B	NW404											32 726	31 925	38 169
C	DC40		1 801	2 152								1 801	1 801	2 152
	<b>Total: Dr Kenneth Kaunda District Municipality</b>		<b>1 801</b>	<b>2 152</b>		<b>35 000</b>	<b>55 000</b>					<b>254 468</b>	<b>245 635</b>	<b>264 247</b>
	<b>Total: North West Municipalities</b>	<b>3 899</b>	<b>8 275</b>	<b>8 797</b>		<b>102 000</b>	<b>159 000</b>		<b>28 617</b>	<b>31 067</b>		<b>2 156 827</b>	<b>2 379 418</b>	<b>2 615 588</b>

ANNEXURE W5  
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B) 2 OF 2

Category	Municipality	Rural Roads Assets Management Systems Grant				Integrated National Electrification Programme (Municipal) Grant				Municipal Water Infrastructure Grant				SUB-TOTAL: INFRASTRUCTURE		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2013/14 (R'000)	2014/15 (R'000)	
<b>WESTERN CAPE</b>																
A	CPT City of Cape Town			25 000	18 000	50 000								2 264 738	2 636 019	2 778 897
B	WC011 Matzikama			3 000	3 000									22 022	23 101	21 280
B	WC012 Cederberg			3 523	1 000	4 590								18 321	15 925	20 238
B	WC013 Bergivier													12 703	13 771	14 531
B	WC014 Saldanha Bay													17 937	18 399	19 392
B	WC015 Swartland													17 395	19 931	21 273
C	DC1 West Coast District Municipality	1 680	2 419											1 680	2 419	2 419
	<b>Total: West Coast Municipalities</b>	<b>1 680</b>	<b>2 419</b>	<b>6 523</b>	<b>4 000</b>	<b>4 590</b>								<b>88 378</b>	<b>92 807</b>	<b>99 133</b>
B	WC022 Witzenberg			4 500	2 000									25 520	23 230	22 380
B	WC023 Drakenstein			10 000	6 000	7 000								43 305	39 158	42 089
B	WC024 Stellenbosch													29 469	33 336	35 721
B	WC025 Breede Valley			2 541	10 000	10 000								33 501	42 373	44 401
B	WC026 Langeberg			500	2 000	4 500								19 799	22 698	26 455
C	DC2 Cape Winelands District Municipality		2 317													2 317
	<b>Total: Cape Winelands Municipalities</b>		<b>2 317</b>	<b>17 541</b>	<b>20 000</b>	<b>21 500</b>								<b>151 594</b>	<b>160 795</b>	<b>173 363</b>
B	WC031 Theewaterskloof			2 000	3 000	2 000								26 849	24 972	26 367
B	WC032 Overstrand			6 000										24 755	23 687	24 006
B	WC033 Cape Agulhas			2 000										12 209	10 536	10 994
B	WC034 Swellendam													11 042	11 404	11 924
C	DC3 Overberg District Municipality		2 154													2 154
	<b>Total: Overberg Municipalities</b>		<b>2 154</b>	<b>10 000</b>	<b>3 000</b>	<b>2 000</b>								<b>74 855</b>	<b>70 599</b>	<b>75 445</b>
B	WC041 Kamalind			16 700	6 000	10 000								27 634	15 930	20 264
B	WC042 Hessequa			5 000	5 000	5 000								17 622	18 303	18 631
B	WC043 Mossel Bay			3 444	7 500	1 500								23 384	30 045	25 568
B	WC044 George			6 000	5 000	8 500								143 445	104 773	110 414
B	WC045 Oudstroom			6 000	3 858	4 000								29 824	24 308	25 717
B	WC047 Bitou													16 845	21 926	25 147
B	WC048 Knysna			7 000	4 000	5 000								35 286	27 662	38 817
C	DC4 Eden District Municipality	1 868	2 283												1 868	2 283
	<b>Total: Eden Municipalities</b>	<b>1 868</b>	<b>2 283</b>	<b>44 144</b>	<b>34 658</b>	<b>39 000</b>								<b>294 040</b>	<b>244 815</b>	<b>266 841</b>
B	WC051 Laingsburg													7 780	12 524	11 618
B	WC052 Prince Albert					5 000								8 125	7 379	7 554
B	WC053 Beaufort West			5 000		15 000								25 353	30 745	28 957
C	DC5 Central Karoo District Municipality		1 672												1 672	1 794
	<b>Total: Central Karoo Municipalities</b>		<b>1 672</b>	<b>5 000</b>	<b>20 000</b>	<b>20 000</b>								<b>41 258</b>	<b>52 320</b>	<b>49 923</b>
	<b>Total: Western Cape Municipalities</b>		<b>5 220</b>	<b>108 208</b>	<b>99 658</b>	<b>137 000</b>								<b>2 914 863</b>	<b>3 257 355</b>	<b>3 443 602</b>
	<b>National Total</b>	<b>52 205</b>	<b>75 223</b>	<b>1 634 772</b>	<b>1 564 658</b>	<b>2 056 000</b>	<b>602 965</b>	<b>1 658 976</b>	<b>31 092 346</b>	<b>33 547 708</b>	<b>36 970 839</b>					

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6B)  
(National and Municipal Financial Years)**

ANNEXURE W6  
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6B)

Category	Municipality	Regional Bulk Infrastructure Grant			Water Services Operating Subsidy			Integrated National Electrification Programme (Eskom) Grant			Neighbourhood Development Partnership Grant (Technical Assistance)			SUB-TOTAL: INDIRECT		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
		<b>EASTERN CAPE</b>														
A	BUF		300	300				31 014	40 000	45 000	1 500	1 500	1 500	41 800	46 800	
A	NMA							10 000	10 000	20 000	3 500	3 500	3 500	13 500	23 500	
B	ECI01	10 000								5 000				14 400	5 000	
B	ECI02		14 400							5 000					5 000	
B	ECI03									10 000					10 000	
B	ECI04							1 625	5 000	10 000	1 000	1 000	6 000	6 000	11 000	
B	ECI05	50 000		80 000						15 000				113 464	95 000	
B	ECI06	6 466						11 752	1 500	20 000			1 500	1 500	20 000	
B	ECI07	10 000		23 808						5 000				20 000	28 808	
B	ECI08							1 339	5 000	10 000	1 000	1 000	1 000	1 000	1 000	
B	ECI09									10 000				5 000	10 000	
C	DCI0	76 466	147 864	103 808				14 716	11 500	80 000	2 000	2 000	2 000	161 364	185 808	
<b>Total: Eastern Cape Municipalities</b>																
B	ECI21							50 680	60 000	60 000				60 000	60 000	
B	ECI22							64 000	55 000	70 000				55 000	70 000	
B	ECI23								10 000	10 000					10 000	
B	ECI24							9 854	20 000	20 000				20 000	20 000	
B	ECI26							9 086	20 000	20 000				20 000	20 000	
B	ECI27							9 036	9 563	15 000				9 563	15 000	
B	ECI28									10 000					10 000	
C	DCI2	56 504	209 400	410 000	300	300	300	142 656	164 563	205 000	1 500	1 500	1 500	211 200	411 800	
<b>Total: Amathole Municipalities</b>																
B	ECI31							2 288	5 000	5 000				5 000	5 000	
B	ECI32									10 000					10 000	
B	ECI33							1 300	10 000	15 000				10 000	15 000	
B	ECI34							20 446	25 000	25 000				25 000	25 000	
B	ECI35							22 155	30 000	40 000				30 000	40 000	
B	ECI36							3 900	40 000	40 000				40 000	40 000	
B	ECI37							7 013	8 000	9 000				8 000	9 000	
B	ECI38													193 537	118 803	
C	DCI3	165 024	193 237	118 503	300	300	300	57 102	118 000	144 000				311 537	262 803	
<b>Total: Chris Hani Municipalities</b>																
B	ECI41							53 458	60 000	65 000				60 000	65 000	
B	ECI42							35 705	40 000	43 000	1 000	1 000	1 000	41 000	44 000	
B	ECI43									15 000					15 000	
B	ECI44									15 000					15 000	
C	DCI4				300	300	300	89 163	100 000	138 000	1 000	1 000	1 000	300	300	
<b>Total: Joe Gqabi Municipalities</b>																
B	ECI53							57 646	65 000	70 000				65 000	70 000	
B	ECI54							7 287	10 000	15 000				11 000	16 000	
B	ECI55							13 671	14 470	25 000	1 000	1 000	1 000	14 470	25 000	
B	ECI56							13 928	30 000	50 000				30 000	50 000	
B	ECI57							39 642	45 000	50 000	1 000	1 000	1 000	46 000	51 000	
C	DCI5	200 000	300 000	350 000	300	300	300	132 174	164 470	210 000	2 000	2 000	2 000	300 300	350 300	
<b>Total: O.R. Tambo Municipalities</b>																
B	EC441							38 524	40 774	45 000				40 774	45 000	
B	EC442							35 292	38 000	50 000				38 000	50 000	
B	EC443							15 905	16 834	30 000				16 834	30 000	
B	EC444							23 750	20 012	30 000				20 012	30 000	
C	DC44	99 300	110 000	49 689	300	300	300	113 471	115 620	155 000				110 300	49 989	
<b>Total: Alfred Nzo District Municipalities</b>																
<b>Total: Eastern Cape Municipalities</b>																
		597 294	960 501	1 032 000	1 800	1 800	1 800	580 296	724 153	997 000	11 500	11 500	11 500	1 097 954	2 042 300	





**ANNEXURE W6  
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6B)**

Category	Municipality	Regional Bulk Infrastructure Grant			Water Services Operating Subsidy			Integrated National Electrification Programme (Eskom) Grant			Neighbourhood Development Partnership Grant (Technical Assistance)			SUB-TOTAL: INDIRECT		
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
B	KZN261 eDumbe						3 211	10 000	20 000				3 211	10 000	20 000	
B	KZN262 uPhongolo						20 843	18 657	19 747				20 843	18 657	19 747	
B	KZN263 Abaqutusi						16 393	15 195	16 082				16 393	15 195	16 082	
B	KZN265 Nongoma						9 618	10 000	15 000				9 618	10 000	15 000	
B	KZN266 Ulundi															
C	DC26 Zululand District Municipality	55 341			300	300	300	300	300	300			55 641	300	300	
	<b>Total: Zululand Municipalities</b>	<b>55 341</b>			<b>300</b>	<b>300</b>	<b>50 065</b>	<b>53 852</b>	<b>70 829</b>				<b>105 706</b>	<b>54 152</b>	<b>71 129</b>	
B	KZN271 Umhlabuyalingana															
B	KZN272 Jozini						20 900	20 000	22 000				20 900	20 000	22 000	
B	KZN273 The Big 5 False Bay															
B	KZN274 Hlabisa															
B	KZN275 Mthunzi															
B	KZN275 Mthunzi															
B	KZN275 Mthunzi															
C	DC27 Umkhanyakude District Municipality	229 017			300	300	300	300	300	300			229 317	300	300	
	<b>Total: Umkhanyakude Municipalities</b>	<b>229 017</b>			<b>300</b>	<b>300</b>	<b>41 992</b>	<b>40 405</b>	<b>47 000</b>				<b>271 309</b>	<b>407 705</b>	<b>152 300</b>	
B	KZN281 Mfolozi						11 752	17 438	20 165				11 752	17 438	20 165	
B	KZN282 uMhlabuze						15 873	20 800	25 781				15 873	20 800	25 781	
B	KZN283 Ntshabana						2 001	2 118	25 000				2 001	2 118	25 000	
B	KZN284 uMlatzi						37 235	33 714	40 000				37 235	33 714	40 000	
B	KZN285 Mhlopini								30 000						30 000	
B	KZN286 Nkandla						19 659	20 353	25 308				19 659	20 353	25 308	
C	DC28 uThungulu District Municipality	35 000			300	300	300	300	300	300			35 300	300	300	
	<b>Total: Uthungulu Municipalities</b>	<b>35 000</b>			<b>300</b>	<b>300</b>	<b>86 520</b>	<b>94 423</b>	<b>166 254</b>				<b>121 820</b>	<b>274 723</b>	<b>526 554</b>	
B	KZN291 Mandeni						18 462	17 000	35 000				19 462	18 000	36 000	
B	KZN292 Kwabakuzi												1 000	1 000	1 000	
B	KZN293 Ndwebwe						30 148	27 168	35 755				30 148	27 168	35 755	
B	KZN294 Maphumulo						37 076	35 000	40 000				37 076	35 000	40 000	
C	DC29 iLembe District Municipality	130 000			300	300	300	300	300	300			130 300	290 300	381 466	
	<b>Total: Iembe Municipalities</b>	<b>130 000</b>			<b>300</b>	<b>300</b>	<b>85 686</b>	<b>79 168</b>	<b>110 755</b>				<b>217 986</b>	<b>371 468</b>	<b>494 221</b>	
B	KZN431 Ingwe						11 336	11 998	25 000				11 336	11 998	25 000	
B	KZN432 Kwa Sani								15 000						15 000	
B	KZN433 Greater Kokstad						273	289	306				273	289	306	
B	KZN434 Ukhahlamba						11 218	9 893	10 471				11 218	9 893	10 471	
B	KZN435 Unzimbhulu						21 074	25 000	40 000				22 074	26 000	41 000	
C	DC43 Sisonke District Municipality	15 429			300	300	300	300	300	300			15 729	33 500	30 500	
	<b>Total: Sisonke Municipalities</b>	<b>15 429</b>			<b>300</b>	<b>300</b>	<b>43 901</b>	<b>47 180</b>	<b>90 777</b>				<b>60 630</b>	<b>81 680</b>	<b>122 077</b>	
	<b>Total: KwaZulu-Natal Municipalities</b>	<b>604 600</b>			<b>3 000</b>	<b>3 000</b>	<b>523 236</b>	<b>573 647</b>	<b>831 453</b>				<b>1 138 336</b>	<b>1 751 147</b>	<b>2 121 953</b>	

**ANNEXURE W6  
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6B)**

Category	Municipality	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Eskom) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		SUB-TOTAL: INDIRECT	
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
		2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)
<b>LIMPOPO</b>											
B	LIM331 Greater Giyani					24 922	30 000	35 000		24 922	30 000
B	LIM332 Greater Letaba					16 356	20 000	24 000		16 356	20 000
B	LIM333 Greater Tzaneen					28 694	25 000	40 000	1 000	29 694	26 000
B	LIM334 Ba-Phekaboswa					9 791	14 000	17 000	1 000	10 791	15 000
B	LIM335 Mandeng					3 365	3 114	20 000		3 365	3 114
C	DC33 Mopani District Municipality	80 689	83 167	11 511	12 023	13 417	13 417			92 200	98 538
	<b>Total: Mopani Municipalities</b>	<b>80 689</b>	<b>83 167</b>	<b>11 511</b>	<b>12 023</b>	<b>13 417</b>	<b>13 417</b>	<b>136 000</b>	<b>2 000</b>	<b>177 328</b>	<b>193 052</b>
B	LIM341 Musina					7 808	10 000	15 000		7 808	10 000
B	LIM342 Mutale					18 429	25 000	45 000		18 429	25 000
B	LIM343 Thulamela					34 383	40 000	70 000		34 383	40 000
B	LIM344 Makhado					31 783	33 639	50 000		31 783	33 639
C	DC34 Vhembe District Municipality	60 000	25 000	27 117	30 023	33 000	33 000			87 117	55 023
	<b>Total: Vhembe Municipalities</b>	<b>60 000</b>	<b>25 000</b>	<b>27 117</b>	<b>30 023</b>	<b>33 000</b>	<b>33 000</b>	<b>180 000</b>		<b>179 520</b>	<b>163 062</b>
B	LIM351 Bloberg					14 558	15 408	25 000		14 558	15 408
B	LIM352 Aganang					4 064	4 300	20 000		4 064	4 300
B	LIM353 Molemole					5 583	5 883	15 000		5 583	5 883
B	LIM354 Polokwane			300	300	19 036	35 000	40 495		19 336	35 300
B	LIM355 Lepelle-Nkumpi					14 502	10 000	17 000		14 502	10 000
C	DC35 Capricorn District Municipality	31 359	32 022	32 322	36 468	36 168	36 468			31 359	32 022
	<b>Total: Capricorn Municipalities</b>	<b>31 659</b>	<b>32 322</b>	<b>36 468</b>	<b>36 468</b>	<b>70 591</b>	<b>117 495</b>	<b>117 495</b>		<b>89 377</b>	<b>102 913</b>
B	LIM361 Thabazimbi					4 402	4 660	30 000		4 402	4 660
B	LIM362 Lephalale			300	300	11 702	12 384	25 000		12 002	12 684
B	LIM364 Mookgopong							10 000			10 000
B	LIM365 Modimolle							15 000			15 000
B	LIM366 Bela-Bela			17 605	20 022	25 000	17 884	24 911		426	451
B	LIM367 Mogalakwena					16 897	17 884	10 000		34 502	37 906
C	DC36 Waterberg District Municipality	60 000	84 000	17 905	20 322	25 300	33 427	114 911		60 000	84 000
	<b>Total: Waterberg Municipalities</b>	<b>60 000</b>	<b>84 000</b>	<b>17 905</b>	<b>20 322</b>	<b>25 300</b>	<b>33 427</b>	<b>114 911</b>		<b>111 332</b>	<b>139 701</b>
B	LIM471 Ephraim Mogale					8 031	8 500	15 000		8 031	8 500
B	LIM472 Elias Mosisoledi					5 852	10 000	20 000		5 852	10 000
B	LIM473 Makhuduthamaga					8 824	20 000	40 000		8 824	20 000
B	LIM474 Fetakgomo					14 900	20 000	40 000		14 900	20 000
B	LIM475 Greater Tubatse					35 500	40 000	70 000	1 000	36 500	41 000
C	DC47 Sekhukhune District Municipality	381 311	521 584	33 502	35 023	31 000	31 000			414 813	556 607
	<b>Total: Sekhukhune Municipalities</b>	<b>381 311</b>	<b>521 584</b>	<b>33 502</b>	<b>35 023</b>	<b>31 000</b>	<b>31 000</b>	<b>185 000</b>	<b>1 000</b>	<b>488 920</b>	<b>656 107</b>
	<b>Total: Limpopo Municipalities</b>	<b>582 000</b>	<b>717 499</b>	<b>121 094</b>	<b>129 713</b>	<b>139 185</b>	<b>339 783</b>	<b>733 406</b>	<b>3 000</b>	<b>1 046 477</b>	<b>1 255 435</b>
	<b>Total: Limpopo Municipalities</b>										<b>1 660 258</b>



**ANNEXURE W6  
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6B)**

Category	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Eskom) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		SUB-TOTAL: INDIRECT	
	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2015/16 (R'000)
<b>NORTHERN CAPE</b>										
<b>Municipality</b>										
B	7 000	20 000							7 000	20 000
B	72 200	72 360							72 200	72 360
B		120 000								120 000
B		16 500								16 500
B										
B					195	206			195	206
B					195	206			195	206
C	79 200	92 360			195	206			79 395	92 566
<b>Total: Namakwa Municipalities</b>										
B					58	61			58	61
B	35 000	30 000			805	2 000			35 805	32 000
B	20 000	16 640			130	138			20 130	16 778
B		13 700								13 700
B		13 000			130	138			130	138
B	16 000	1 500			130	138			16 130	1 638
B	6 500				130	138			6 630	1 638
B					103	110			103	110
C	77 500	76 140			1 486	2 723			78 986	78 863
<b>Total: Pixley Ka Seme Municipalities</b>										
B					2 308	3 000			2 308	3 000
B					58	61			58	61
B					423	447			423	447
B					4 944	6 500			4 944	6 500
B					130	7 000			130	7 000
C					7 863	17 008			7 863	17 008
<b>Total: Siyanda Municipalities</b>										
B	15 000	20 000			65	69			16 065	21 069
B					370	450			370	450
B					195	206			195	206
B					300	300			300	300
C	30 500	40 000			187	2 000			30 500	42 000
C	45 500	60 000			817	2 725			47 617	64 725
<b>Total: Frances Baard Municipalities</b>										
B	34 000	31 000			3 055	10 000			37 355	41 300
B	19 000	30 000			2 983	9 000			23 283	40 300
B	15 000	20 000			98	103			19 998	20 403
C	68 000	81 000			6 136	19 103			80 636	102 003
<b>Total: John Tloko Gaetsewe Municipalities</b>										
<b>Total: Northern Cape Municipalities</b>										
	270 200	309 500			5 800	1 200			294 497	354 465
					900	2 000				2 000
					16 497	41 765				41 765
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				2 000
					102 098	102 098				102 098
					2 000	2 000				2 000
					41 765	41 765				41 765
					16 497	16 497				16 497
					5 800	5 800				5 800
					900	900				900
					2 000	2 000				

**ANNEXURE W6  
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6B)**

Category	Municipality	Regional Bulk Infrastructure Grant			Water Services Operating Subsidy			Integrated National Electrification Programme (Eskom) Grant			Neighbourhood Development Partnership Grant (Technical Assistance)			SUB-TOTAL: INDIRECT		
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>NORTH WEST</b>																
B	NW371 Moretele	18 000	42 400	50 000	300	300	300	30 915	25 263	30 388				31 215	25 563	30 688
B	NW372 Mafikeng				300	300	300	23 075	30 443	32 849				41 375	73 143	83 149
B	NW373 Rustenburg				300	300	300	15 990	16 924	17 912				16 290	17 224	18 212
B	NW374 Kgetlengrivier		2 600	20 000	300	300	28 418	30 078	31 834					32 678	51 834	
B	NW375 Moses Koane	200 000	70 000	94 000	300	300	17 004	17 997	19 048					217 304	88 297	113 348
C	DC37 Bojanala Platinum District Municipality															
	<b>Total: Bojanala Platinum Municipalities</b>	<b>218 000</b>	<b>115 000</b>	<b>164 000</b>	<b>1 200</b>	<b>1 200</b>	<b>115 402</b>	<b>120 705</b>	<b>132 031</b>					<b>334 602</b>	<b>236 905</b>	<b>297 231</b>
B	NW381 Ratlou						6 723	9 114	12 500					6 723	9 114	12 500
B	NW382 Tswaing						26 129	20 998	25 873					26 129	20 998	25 873
B	NW383 Mafikeng						10 400	20 007	30 000					10 400	20 007	30 000
B	NW384 Disobola						23 987	20 000	26 872					23 987	20 000	26 872
B	NW385 Ramotshere Moiloa						8 710	13 415	15 000					8 710	13 415	15 000
C	DC38 Ngaka Modiri Molema District Municipality	16 000	60 000	90 000	300	300								16 300	60 300	90 300
	<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>16 000</b>	<b>60 000</b>	<b>90 000</b>	<b>300</b>	<b>300</b>	<b>75 949</b>	<b>83 534</b>	<b>110 245</b>					<b>92 249</b>	<b>143 834</b>	<b>200 545</b>
B	NW392 Naledi						7 141	7 588	10 000					7 141	7 588	10 000
B	NW393 Mamasu						10 725	15 600	18 214					10 725	15 600	18 214
B	NW394 Greater Taung						3 424	8 000	12 000					4 424	9 000	13 000
B	NW396 Lekwa-Teemane						325	344	364					325	344	364
B	NW397 NW397						18 570	11 000	35 000					18 570	11 000	35 000
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	135 000	147 000	70 000	300	300								135 300	147 300	70 300
	<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>	<b>135 000</b>	<b>147 000</b>	<b>70 000</b>	<b>300</b>	<b>300</b>	<b>40 185</b>	<b>42 502</b>	<b>75 578</b>	<b>1 000</b>	<b>1 000</b>	<b>1 000</b>	<b>176 485</b>	<b>190 802</b>	<b>146 878</b>	
B	NW401 Ventersdorp						325	344	364					16 325	344	364
B	NW402 Tlokweng			10 000										1 000	1 000	1 000
B	NW403 City of Mafetseng						9 690	13 500	16 400					10 690	14 500	17 400
B	NW404 Maquassi Hills		25 000	54 600			5 200	8 000	10 000					10 200	33 000	64 600
C	DC40 Dr Kenneth Kaunda District Municipality	21 000	25 000	64 600			15 215	21 844	26 764					38 215	48 844	93 364
	<b>Total: Dr Kenneth Kaunda Municipalities</b>	<b>21 000</b>	<b>25 000</b>	<b>64 600</b>			<b>15 215</b>	<b>21 844</b>	<b>26 764</b>	<b>2 000</b>	<b>2 000</b>	<b>2 000</b>	<b>48 844</b>	<b>64 551</b>	<b>620 385</b>	<b>738 018</b>
	<b>Total: North West Municipalities</b>	<b>390 000</b>	<b>347 000</b>	<b>388 600</b>	<b>1 800</b>	<b>1 800</b>	<b>246 751</b>	<b>268 585</b>	<b>344 618</b>	<b>3 000</b>	<b>3 000</b>	<b>3 000</b>	<b>641 551</b>	<b>620 385</b>	<b>738 018</b>	



**ANNEXURE W7**

**EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES  
(National and Municipal Financial Years)**

**ANNEXURE W7  
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES			
		National and Municipal Financial Year			National and Municipal Financial Year			
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>EASTERN CAPE</b>								
A	BUF	Buffalo City	653 660	656 856	654 044	1 416 113	1 436 926	1 509 291
A	NMA	Nelson Mandela Bay	743 325	761 940	772 901	1 662 339	1 970 485	2 147 503
B	EC101	Camdeboo	39 006	40 943	43 371	67 585	71 207	64 828
B	EC102	Blue Crane Route	40 796	42 411	44 607	64 112	60 836	66 528
B	EC103	Ikwezi	16 860	18 186	20 653	30 125	28 922	41 504
B	EC104	Makana	69 044	72 174	75 667	108 107	104 017	113 649
B	EC105	Ndlambe	59 738	64 879	72 949	143 731	212 891	208 024
B	EC106	Sundays River Valley	40 404	46 337	55 159	85 952	74 732	103 652
B	EC107	Baviaans	18 694	20 459	23 484	44 059	52 891	63 968
B	EC108	Kouga	54 165	66 128	81 674	96 462	102 512	121 016
B	EC109	Kou-Kamma	31 384	33 881	37 571	53 127	56 387	65 867
C	DC10	Cacadu District Municipality	75 091	80 338	86 781	80 133	84 632	91 198
<b>Total: Cacadu Municipalities</b>			<b>445 182</b>	<b>485 736</b>	<b>541 916</b>	<b>773 393</b>	<b>849 027</b>	<b>940 234</b>
B	EC121	Mbhashe	136 195	163 002	211 166	262 029	304 102	356 286
B	EC122	Mnquma	168 933	191 570	236 239	316 419	338 659	412 075
B	EC123	Great Kei	34 158	36 790	42 494	51 394	52 345	68 765
B	EC124	Amahlathi	96 720	105 532	124 944	139 124	159 321	180 859
B	EC126	Ngqushwa	66 451	71 882	83 511	100 570	117 385	130 575
B	EC127	Nkonkobe	94 338	106 634	131 252	145 866	163 159	188 615
B	EC128	Nxuba	22 307	23 804	26 694	38 603	45 992	49 335
C	DC12	Amathole District Municipality	621 631	662 019	694 475	1 115 694	1 339 032	1 663 444
<b>Total: Amathole Municipalities</b>			<b>1 240 733</b>	<b>1 361 233</b>	<b>1 550 775</b>	<b>2 169 699</b>	<b>2 519 995</b>	<b>3 049 954</b>
B	EC131	Inxuba Yethemba	40 356	40 656	41 139	57 900	68 412	79 840
B	EC132	Tsolwana	27 463	31 354	39 001	48 114	56 453	59 887
B	EC133	Inkwanca	19 355	21 252	25 206	32 380	33 142	47 593
B	EC134	Lukanji	112 656	118 544	128 228	154 748	171 875	189 406
B	EC135	Intsika Yethu	99 780	116 201	147 419	173 940	202 618	241 667
B	EC136	Emalahleni	78 749	92 189	117 658	151 725	165 914	203 777
B	EC137	Engcobo	86 604	104 165	135 276	129 712	206 525	240 350
B	EC138	Sakhisizwe	42 714	48 690	59 939	69 763	76 698	90 011
C	DC13	Chris Hani District Municipality	385 035	412 881	441 527	930 926	948 335	1 006 575
<b>Total: Chris Hani Municipalities</b>			<b>892 712</b>	<b>985 932</b>	<b>1 135 393</b>	<b>1 749 208</b>	<b>1 929 972</b>	<b>2 159 106</b>
B	EC141	Elundini	84 626	102 081	133 357	183 748	215 626	244 150
B	EC142	Senqu	98 133	111 140	136 991	176 391	190 537	222 028
B	EC143	Maletswai	24 074	25 448	27 642	46 016	42 215	57 997
B	EC144	Gariep	25 608	26 340	27 760	40 582	40 055	57 088
C	DC14	Joe Gqabi District Municipality	178 958	194 392	211 537	374 970	380 535	411 710
<b>Total: Joe Gqabi Municipalities</b>			<b>411 399</b>	<b>459 401</b>	<b>537 287</b>	<b>821 707</b>	<b>868 968</b>	<b>992 973</b>
B	EC153	Ngquza Hill	126 980	153 791	201 492	257 139	286 955	348 524
B	EC154	Port St Johns	78 040	93 591	121 664	123 233	139 345	174 874
B	EC155	Nyandeni	143 347	169 814	218 287	228 697	258 185	336 644
B	EC156	Mhlontlo	110 614	128 084	160 508	185 812	216 521	281 953
B	EC157	King Sabata Dalindyebo	184 567	206 947	253 784	346 521	363 114	431 068
C	DC15	O.R.Tambo District Municipality	493 970	550 599	614 106	1 377 840	1 570 230	1 745 804
<b>Total: O.R.Tambo Municipalities</b>			<b>1 137 518</b>	<b>1 302 826</b>	<b>1 569 841</b>	<b>2 519 242</b>	<b>2 834 350</b>	<b>3 318 867</b>
B	EC441	Matatiele	118 249	139 223	177 399	242 616	262 823	303 190
B	EC442	Umzimvubu	117 834	136 376	170 923	231 852	250 233	299 834
B	EC443	Mbizana	126 027	145 455	183 149	220 669	239 847	294 048
B	EC444	Ntabankulu	69 894	80 014	99 570	156 455	158 352	184 650
C	DC44	Alfred Nzo District Municipality	319 703	344 069	368 520	814 371	882 122	908 009
<b>Total: Alfred Nzo Municipalities</b>			<b>751 707</b>	<b>845 137</b>	<b>999 561</b>	<b>1 665 963</b>	<b>1 793 377</b>	<b>1 989 731</b>
<b>Total: Eastern Cape Municipalities</b>			<b>6 276 236</b>	<b>6 859 061</b>	<b>7 761 718</b>	<b>12 777 664</b>	<b>14 203 100</b>	<b>16 107 659</b>

**ANNEXURE W7  
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>FREE STATE</b>							
A	MAN Mangaung	605 072	602 710	591 487	1 265 182	1 322 616	1 346 394
B	FS161 Letsemeng	50 434	50 100	49 583	88 280	110 088	136 679
B	FS162 Kopanong	85 634	82 382	78 029	143 244	145 781	165 504
B	FS163 Mohokare	51 873	52 865	54 514	97 369	102 143	114 769
B	FS164 Naledi	38 200	39 235	40 703	61 975	55 460	57 312
C	DC16 Xhariep District Municipality	25 535	29 343	35 005	29 944	33 011	38 736
<b>Total: Xhariep Municipalities</b>		<b>251 676</b>	<b>253 925</b>	<b>257 834</b>	<b>420 812</b>	<b>446 483</b>	<b>513 000</b>
B	FS181 Masilonyana	82 581	84 684	87 776	138 132	136 249	144 095
B	FS182 Tokologo	43 518	43 813	44 497	100 775	108 816	113 940
B	FS183 Tswelopele	61 909	61 962	62 134	95 229	90 399	84 019
B	FS184 Matjhabeng	424 920	415 397	399 963	621 870	577 323	528 437
B	FS185 Nala	130 670	126 013	120 179	186 930	172 159	152 874
C	DC18 Lejweleputswa District Municipality	100 936	105 052	111 194	104 076	109 155	115 676
<b>Total: Lejweleputswa Municipalities</b>		<b>844 534</b>	<b>836 921</b>	<b>825 743</b>	<b>1 247 012</b>	<b>1 194 101</b>	<b>1 139 041</b>
B	FS191 Setsoto	165 019	165 090	165 262	267 922	257 284	241 802
B	FS192 Dihlabeng	129 734	131 161	131 457	205 852	213 596	196 561
B	FS193 Nketoana	78 119	78 872	80 004	133 015	124 133	129 459
B	FS194 Maluti-a-Phofung	361 770	390 798	446 530	643 712	634 523	687 539
B	FS195 Phumelela	56 906	58 214	59 911	106 062	112 101	118 849
B	FS196 Mantsopa	67 071	67 801	68 729	101 830	92 010	96 292
C	DC19 Thabo Mofutsanyana District Municipality	81 281	87 537	98 062	84 421	91 727	102 655
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>939 900</b>	<b>979 473</b>	<b>1 049 955</b>	<b>1 542 814</b>	<b>1 525 374</b>	<b>1 573 157</b>
B	FS201 Moqhaka	164 486	167 008	168 900	243 787	229 087	247 132
B	FS203 Ngwathe	156 191	159 928	165 001	212 578	216 426	223 598
B	FS204 Metsimaholo	101 698	107 333	114 374	187 384	185 315	203 375
B	FS205 Mafube	75 544	76 538	78 085	108 765	110 841	123 416
C	DC20 Fezile Dabi District Municipality	134 501	137 635	140 289	137 641	141 642	144 685
<b>Total: Fezile Dabi Municipalities</b>		<b>632 420</b>	<b>648 442</b>	<b>666 649</b>	<b>890 155</b>	<b>883 311</b>	<b>942 206</b>
<b>Total: Free State Municipalities</b>		<b>3 273 602</b>	<b>3 321 471</b>	<b>3 391 668</b>	<b>5 365 975</b>	<b>5 371 885</b>	<b>5 513 798</b>
<b>GAUTENG</b>							
A	EKU Ekurhuleni	1 917 953	2 039 212	2 161 058	3 820 271	3 948 494	4 164 088
A	JHB City of Johannesburg	2 293 212	2 527 926	2 822 727	5 229 503	5 773 436	6 118 224
A	TSH City of Tshwane	1 166 964	1 371 322	1 628 130	3 521 010	4 140 143	4 524 991
B	GT421 Emfuleni	598 857	601 209	596 178	898 695	939 351	1 026 278
B	GT422 Midvaal	54 673	60 571	67 337	143 121	187 810	234 543
B	GT423 Lesedi	64 253	71 468	81 742	100 242	108 903	120 578
C	DC42 Sedibeng District Municipality	232 785	239 720	246 087	245 925	261 904	265 382
<b>Total: Sedibeng Municipalities</b>		<b>950 568</b>	<b>972 968</b>	<b>991 344</b>	<b>1 387 983</b>	<b>1 497 968</b>	<b>1 646 781</b>
B	GT481 Mogale City	222 291	238 193	255 661	334 721	372 521	395 346
B	GT482 Randfontein	95 880	100 241	102 691	147 804	154 214	169 881
B	GT483 Westonaria	104 957	113 478	125 673	257 549	248 508	259 815
B	GT484 Merafong City	181 074	175 743	167 138	278 279	261 206	267 593
C	DC48 West Rand District Municipality	172 587	178 648	185 485	186 727	191 832	200 902
<b>Total: West Rand Municipalities</b>		<b>776 789</b>	<b>806 303</b>	<b>836 648</b>	<b>1 205 080</b>	<b>1 228 281</b>	<b>1 293 537</b>
<b>Total: Gauteng Municipalities</b>		<b>7 105 486</b>	<b>7 717 731</b>	<b>8 439 907</b>	<b>15 163 847</b>	<b>16 588 322</b>	<b>17 747 621</b>

**ANNEXURE W7  
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>KWAZULU-NATAL</b>							
A	ETH eThekweni	1 869 806	1 990 981	2 101 119	4 434 646	4 959 850	5 271 873
B	KZN211 Vulamehlo	40 580	48 709	62 702	79 218	80 452	109 666
B	KZN212 Umdoni	33 387	43 748	60 726	55 442	73 861	104 244
B	KZN213 Umzumbe	94 545	105 482	128 104	166 854	182 707	216 602
B	KZN214 uMuziwabantu	49 397	59 169	76 423	83 448	83 813	102 646
B	KZN215 Ezingoleni	29 480	34 540	43 567	46 494	51 268	61 187
B	KZN216 Hibiscus Coast	92 600	103 875	126 653	158 723	179 503	216 111
C	DC21 Ugu District Municipality	287 183	323 621	366 670	629 838	646 080	782 224
<b>Total: Ugu Municipalities</b>		<b>627 172</b>	<b>719 144</b>	<b>864 845</b>	<b>1 220 017</b>	<b>1 297 684</b>	<b>1 592 680</b>
B	KZN221 uMshwathi	61 423	69 540	85 328	87 259	97 990	115 790
B	KZN222 uMngeni	37 208	40 399	44 603	62 560	65 362	71 088
B	KZN223 Mpofana	23 278	24 858	27 700	38 439	39 588	43 174
B	KZN224 Impendle	25 741	28 098	33 000	40 387	42 574	48 234
B	KZN225 Msunduzi	354 313	373 677	393 300	642 297	574 482	592 507
B	KZN226 Mkhambathini	32 583	39 486	51 522	50 550	58 480	71 715
B	KZN227 Richmond	33 881	41 323	54 362	54 083	61 560	75 763
C	DC22 Umkungundlovu District Municipality	338 828	366 437	394 877	495 865	531 139	666 261
<b>Total: Umkungundlovu Municipalities</b>		<b>907 255</b>	<b>983 818</b>	<b>1 084 692</b>	<b>1 471 440</b>	<b>1 471 175</b>	<b>1 684 532</b>
B	KZN232 Emnambithi/Ladysmith	111 249	118 704	130 197	174 250	174 604	190 558
B	KZN233 Indaka	63 187	67 334	76 123	97 191	121 481	141 703
B	KZN234 Umtshezi	33 196	39 403	50 245	79 617	75 307	86 117
B	KZN235 Okhahlamba	69 121	79 386	98 688	105 768	113 674	137 866
B	KZN236 Imbabazane	68 921	73 945	85 171	101 484	119 479	132 269
C	DC23 Uthukela District Municipality	269 199	286 424	302 679	504 423	526 662	581 471
<b>Total: Uthukela Municipalities</b>		<b>614 873</b>	<b>665 196</b>	<b>743 103</b>	<b>1 062 733</b>	<b>1 131 207</b>	<b>1 269 984</b>
B	KZN241 Endumeni	34 084	37 113	41 381	55 835	54 038	59 192
B	KZN242 Nqutu	79 597	92 273	116 168	167 125	164 657	193 005
B	KZN244 Msinga	81 641	100 938	134 802	191 300	207 242	247 023
B	KZN245 Umvoti	49 358	62 719	85 376	93 434	94 767	120 337
C	DC24 Umzinyathi District Municipality	192 952	212 794	236 226	440 226	623 813	834 415
<b>Total: Umzinyathi Municipalities</b>		<b>437 632</b>	<b>505 837</b>	<b>613 953</b>	<b>947 920</b>	<b>1 144 517</b>	<b>1 453 972</b>
B	KZN252 Newcastle	276 638	284 723	296 857	423 425	434 231	453 555
B	KZN253 Emadlangeni	15 507	17 485	21 116	28 979	29 272	33 367
B	KZN254 Dannhauser	52 872	60 196	74 526	79 640	90 864	109 093
C	DC25 Amajuba District Municipality	104 535	112 431	120 442	174 863	179 416	206 533
<b>Total: Amajuba Municipalities</b>		<b>449 552</b>	<b>474 835</b>	<b>512 941</b>	<b>706 907</b>	<b>733 783</b>	<b>802 548</b>

**ANNEXURE W7  
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
B	KZN261 eDumbe	40 352	46 464	57 714	68 924	72 249	88 652
B	KZN262 uPhongolo	66 389	77 124	97 092	116 825	125 665	160 681
B	KZN263 Abaqulusi	85 565	95 691	115 029	159 830	166 064	184 056
B	KZN265 Nongoma	81 160	96 329	124 159	152 936	168 089	194 978
B	KZN266 Ulundi	87 088	101 357	128 392	132 527	147 910	186 862
C	DC26 Zululand District Municipality	276 930	296 860	317 554	647 055	569 568	636 860
<b>Total: Zululand Municipalities</b>		<b>637 484</b>	<b>713 825</b>	<b>839 940</b>	<b>1 278 097</b>	<b>1 249 545</b>	<b>1 452 089</b>
B	KZN271 Umhlabuyalingana	68 319	87 853	121 580	110 361	139 100	169 358
B	KZN272 Jozini	85 485	103 831	137 040	165 816	180 505	216 290
B	KZN273 The Big 5 False Bay	17 275	22 514	31 093	35 740	46 409	55 659
B	KZN274 Hlabisa	30 174	37 140	49 351	56 543	68 783	76 948
B	KZN275 Mtubatuba	60 744	81 486	116 884	115 874	142 169	186 502
C	DC27 Umkhanyakude District Municipality	196 603	225 596	260 529	682 554	836 596	648 275
<b>Total: Umkhanyakude Municipalities</b>		<b>458 600</b>	<b>558 420</b>	<b>716 477</b>	<b>1 166 888</b>	<b>1 413 562</b>	<b>1 353 032</b>
B	KZN281 Mfolozi	52 392	67 506	93 955	93 324	118 145	151 114
B	KZN282 uMhlathuze	190 384	204 798	228 096	314 640	334 774	378 316
B	KZN283 Ntambanana	24 403	30 928	42 504	53 356	70 384	107 855
B	KZN284 uMlalazi	91 327	111 120	145 753	177 569	200 891	250 683
B	KZN285 Mthonjaneni	27 730	31 711	38 882	43 757	47 061	84 986
B	KZN286 Nkandla	57 099	66 041	82 996	123 209	135 723	184 026
C	DC28 Uthungulu District Municipality	353 909	381 498	406 383	641 427	805 096	1 124 137
<b>Total: Uthungulu Municipalities</b>		<b>797 244</b>	<b>893 602</b>	<b>1 038 569</b>	<b>1 447 282</b>	<b>1 712 074</b>	<b>2 281 117</b>
B	KZN291 Mandeni	74 289	90 610	119 571	131 638	149 324	198 801
B	KZN292 KwaDukuza	78 566	88 242	106 084	146 847	154 852	181 299
B	KZN293 Ndwedwe	67 373	82 895	110 018	144 979	155 751	198 455
B	KZN294 Maphumulo	54 076	61 172	75 028	125 009	130 988	155 233
C	DC29 iLembe District Municipality	253 386	289 560	332 346	626 965	821 139	1 140 000
<b>Total: iLembe Municipalities</b>		<b>527 690</b>	<b>612 479</b>	<b>743 047</b>	<b>1 175 438</b>	<b>1 412 054</b>	<b>1 873 788</b>
B	KZN431 Ingwe	57 002	66 137	83 272	93 499	104 381	136 201
B	KZN432 Kwa Sani	12 846	13 634	15 188	25 469	23 847	40 726
B	KZN433 Greater Kokstad	47 950	47 712	47 669	70 005	67 187	67 885
B	KZN434 Ubuhlebezwe	57 039	67 075	85 602	93 835	103 270	124 019
B	KZN435 Umzimkhulu	96 838	116 362	151 506	191 159	205 653	263 728
C	DC43 Sisonke District Municipality	216 056	230 220	243 065	430 796	484 953	526 716
<b>Total: Sisonke Municipalities</b>		<b>487 731</b>	<b>541 140</b>	<b>626 302</b>	<b>904 763</b>	<b>989 291</b>	<b>1 159 275</b>
<b>Total: KwaZulu-Natal Municipalities</b>		<b>7 815 039</b>	<b>8 659 277</b>	<b>9 884 988</b>	<b>15 816 131</b>	<b>17 514 742</b>	<b>20 194 890</b>

**ANNEXURE W7  
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES			
		National and Municipal Financial Year			National and Municipal Financial Year			
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>LIMPOPO</b>								
B	LIM331	Greater Giyani	148 104	173 860	222 511	240 081	276 484	335 713
B	LIM332	Greater Letaba	146 418	167 647	209 454	213 362	243 661	293 582
B	LIM333	Greater Tzaneen	211 762	236 039	289 971	352 853	386 224	462 372
B	LIM334	Ba-Phalaborwa	69 433	83 307	108 033	114 278	135 631	165 628
B	LIM335	Maruleng	60 742	71 900	92 865	96 294	103 070	142 360
C	DC33	Mopani District Municipality	504 909	558 369	620 072	1 014 463	1 174 250	1 331 975
<b>Total: Mopani Municipalities</b>			<b>1 141 368</b>	<b>1 291 122</b>	<b>1 542 906</b>	<b>2 031 331</b>	<b>2 319 320</b>	<b>2 731 630</b>
B	LIM341	Musina	34 393	39 062	48 052	62 585	70 751	86 151
B	LIM342	Mutale	51 174	64 959	88 990	93 926	116 768	162 688
B	LIM343	Thulamela	290 472	338 870	434 680	486 386	552 467	699 203
B	LIM344	Makhado	256 239	288 042	356 332	405 662	451 388	550 061
C	DC34	Vhembe District Municipality	524 104	589 779	668 296	1 139 370	1 267 982	1 508 200
<b>Total: Vhembe Municipalities</b>			<b>1 156 382</b>	<b>1 320 712</b>	<b>1 596 350</b>	<b>2 187 929</b>	<b>2 459 356</b>	<b>3 006 303</b>
B	LIM351	Blouberg	100 568	117 100	147 981	163 231	183 676	227 054
B	LIM352	Aganang	84 880	98 117	123 471	121 622	137 330	180 777
B	LIM353	Molemole	80 861	89 040	106 885	116 160	126 419	155 417
B	LIM354	Polokwane	415 990	454 995	518 016	941 629	804 137	919 368
B	LIM355	Lepele-Nkumpi	138 190	161 220	205 236	208 233	238 211	298 172
C	DC35	Capricorn District Municipality	431 845	464 522	496 617	732 503	803 237	899 558
<b>Total: Capricorn Municipalities</b>			<b>1 252 334</b>	<b>1 384 994</b>	<b>1 598 206</b>	<b>2 283 378</b>	<b>2 293 010</b>	<b>2 680 346</b>
B	LIM361	Thabazimbi	60 129	60 696	59 712	107 990	100 816	122 368
B	LIM362	Lephalale	83 078	86 772	91 274	144 988	138 003	162 080
B	LIM364	Mookgopong	29 014	33 863	41 179	48 187	52 371	70 652
B	LIM365	Modimolle	57 283	58 581	59 493	112 359	105 479	100 626
B	LIM366	Bela-Bela	48 639	54 226	62 905	72 870	79 418	99 138
B	LIM367	Mogalakwena	267 909	292 559	339 353	461 314	481 943	565 079
C	DC36	Waterberg District Municipality	94 609	99 446	106 745	159 320	187 409	252 301
<b>Total: Waterberg Municipalities</b>			<b>640 661</b>	<b>686 143</b>	<b>760 661</b>	<b>1 107 028</b>	<b>1 145 439</b>	<b>1 372 244</b>
B	LIM471	Ephraim Mogale	77 149	91 627	118 772	120 347	138 753	169 777
B	LIM472	Elias Motsoaledi	143 438	166 928	213 459	206 326	240 340	300 904
B	LIM473	Makhuduthamaga	157 863	181 822	229 192	224 997	266 851	343 731
B	LIM474	Fetakgomo	52 946	63 595	83 250	91 221	107 730	148 890
B	LIM475	Greater Tubatse	148 455	182 718	246 541	257 804	292 544	391 250
C	DC47	Sekhukhune District Municipality	406 157	464 938	536 183	1 295 507	1 608 699	1 820 548
<b>Total: Sekhukhune Municipalities</b>			<b>986 008</b>	<b>1 151 628</b>	<b>1 427 397</b>	<b>2 196 202</b>	<b>2 654 917</b>	<b>3 175 100</b>
<b>Total: Limpopo Municipalities</b>			<b>5 176 753</b>	<b>5 834 599</b>	<b>6 925 520</b>	<b>9 805 868</b>	<b>10 872 042</b>	<b>12 965 623</b>
<b>MPUMALANGA</b>								
B	MP301	Albert Luthuli	171 462	188 811	218 671	303 820	307 114	361 416
B	MP302	Msakaligwa	108 953	114 918	121 221	179 429	184 563	200 965
B	MP303	Mkhondo	110 712	127 217	152 657	211 708	217 599	249 791
B	MP304	Pixley Ka Seme	85 631	87 919	91 094	127 920	122 218	127 186
B	MP305	Lekwa	81 428	85 036	88 237	128 831	122 974	123 102
B	MP306	Dipaleseng	46 059	48 593	52 440	70 480	69 731	74 595
B	MP307	Govan Mbeki	191 144	193 630	194 469	283 095	278 445	265 500
C	DC30	Gert Sibande District Municipality	259 860	266 056	271 180	319 822	377 303	403 530
<b>Total: Gert Sibande Municipalities</b>			<b>1 055 249</b>	<b>1 112 180</b>	<b>1 189 969</b>	<b>1 625 105</b>	<b>1 679 947</b>	<b>1 806 085</b>
B	MP311	Victor Khanye	54 204	59 124	67 126	83 390	90 651	106 620
B	MP312	Emalaheni	192 475	207 818	228 491	327 577	354 411	397 879
B	MP313	Steve Tshwete	92 630	103 593	119 269	161 161	169 180	198 326
B	MP314	Emakhazeni	38 535	42 256	48 318	58 685	62 642	74 448
B	MP315	Thembisile Hani	237 008	259 757	299 541	395 746	422 956	485 692
B	MP316	Dr JS Moroka	248 190	270 519	314 317	380 949	411 228	472 139
C	DC31	Nkangala District Municipality	308 850	318 220	326 609	323 592	342 354	358 836
<b>Total: Nkangala Municipalities</b>			<b>1 171 892</b>	<b>1 261 287</b>	<b>1 403 671</b>	<b>1 731 100</b>	<b>1 853 422</b>	<b>2 093 940</b>
B	MP321	Thaba Chweu	81 198	90 471	104 348	143 180	167 342	241 415
B	MP322	Mbombela	342 190	388 559	460 251	787 717	951 268	995 415
B	MP323	Umjindi	52 284	57 371	65 417	118 959	122 748	234 509
B	MP324	Nkomazi	290 822	340 862	424 283	565 810	634 656	858 020
B	MP325	Bushbuckridge	485 251	544 632	648 039	884 837	1 007 892	1 277 561
C	DC32	Ehlanzeni District Municipality	188 227	200 664	219 306	228 327	280 941	277 666
<b>Total: Ehlanzeni Municipalities</b>			<b>1 439 972</b>	<b>1 622 559</b>	<b>1 921 644</b>	<b>2 728 830</b>	<b>3 164 847</b>	<b>3 884 586</b>
<b>Total: Mpumalanga Municipalities</b>			<b>3 667 113</b>	<b>3 996 026</b>	<b>4 515 284</b>	<b>6 085 035</b>	<b>6 698 216</b>	<b>7 784 611</b>

**ANNEXURE W7  
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>NORTHERN CAPE</b>							
B	NC061 Richtersveld	12 338	12 808	13 357	31 070	42 726	23 608
B	NC062 Nama Khoi	33 821	35 283	36 682	136 735	142 362	198 876
B	NC064 Kamiesberg	13 681	15 124	17 565	28 484	26 987	28 030
B	NC065 Hantam	20 312	20 560	20 591	35 950	33 247	49 713
B	NC066 Karoo Hoogland	13 898	14 659	15 758	28 243	26 283	26 788
B	NC067 Khâi-Ma	13 134	13 810	14 833	28 250	25 126	25 752
C	DC6 Namakwa District Municipality	33 148	34 529	35 586	36 288	36 713	40 179
<b>Total: Namakwa Municipalities</b>		<b>140 332</b>	<b>146 773</b>	<b>154 372</b>	<b>325 020</b>	<b>333 444</b>	<b>392 946</b>
B	NC071 Ubuntu	19 400	21 585	25 118	37 125	34 038	38 061
B	NC072 Umsobomvu	30 684	32 357	34 839	92 079	85 239	101 234
B	NC073 Emthanjeni	34 820	35 326	35 822	74 519	67 246	50 730
B	NC074 Kareeberg	13 268	15 069	17 919	25 897	40 653	42 569
B	NC075 Renosterberg	15 574	16 502	18 100	29 753	40 115	33 493
B	NC076 Thembelihle	15 650	16 718	18 588	48 202	31 688	35 948
B	NC077 Siyathemba	21 171	22 427	24 149	45 476	35 007	41 887
B	NC078 Siyancuma	36 842	37 997	39 446	62 560	58 864	59 067
C	DC7 Pixley Ka Seme District Municipality	29 375	32 277	36 465	32 515	34 461	41 339
<b>Total: Pixley Ka Seme Municipalities</b>		<b>216 784</b>	<b>230 258</b>	<b>250 446</b>	<b>448 126</b>	<b>427 311</b>	<b>444 328</b>
B	NC081 Mier	11 016	12 293	14 489	27 672	26 919	28 750
B	NC082 !Kai !Garib	48 286	50 278	51 971	72 454	74 263	77 338
B	NC083 //Khara Hais	53 914	56 126	57 390	90 363	87 151	98 218
B	NC084 !Kheis	16 899	17 946	19 612	38 551	38 014	40 711
B	NC085 Tsantsabane	26 145	27 060	28 093	44 097	51 561	47 534
B	NC086 Kgatelopele	15 302	16 086	17 044	27 740	26 666	27 997
C	DC8 Siyanda District Municipality	44 983	47 834	51 247	48 123	50 018	55 858
<b>Total: Siyanda Municipalities</b>		<b>216 545</b>	<b>227 623</b>	<b>239 846</b>	<b>349 000</b>	<b>354 592</b>	<b>376 406</b>
B	NC091 Sol Plaatjie	145 905	145 433	142 820	251 271	245 727	274 040
B	NC092 Dikgatlong	48 022	51 624	57 946	83 153	77 618	100 186
B	NC093 Magareng	30 294	32 056	34 685	54 214	45 787	53 754
B	NC094 Phokwane	67 054	71 291	77 127	106 013	113 975	125 266
C	DC9 Frances Baard District Municipality	89 990	97 520	103 974	123 630	139 704	162 146
<b>Total: Frances Baard Municipalities</b>		<b>381 265</b>	<b>397 924</b>	<b>416 552</b>	<b>618 281</b>	<b>622 811</b>	<b>715 392</b>
B	NC451 Joe Morolong	80 780	93 120	114 538	191 864	214 049	213 194
B	NC452 Ga-Segonyana	73 591	86 859	108 890	173 938	212 922	247 654
B	NC453 Gamagara	21 203	22 045	22 924	67 856	61 625	70 751
C	DC45 John Taolo Gaetsewe District Municipality	58 112	61 492	65 096	62 717	68 401	72 248
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>233 686</b>	<b>263 516</b>	<b>311 448</b>	<b>496 375</b>	<b>556 997</b>	<b>603 847</b>
<b>Total: Northern Cape Municipalities</b>		<b>1 188 612</b>	<b>1 266 094</b>	<b>1 372 664</b>	<b>2 236 802</b>	<b>2 295 155</b>	<b>2 532 919</b>
<b>NORTH WEST</b>							
B	NW371 Moretele	177 267	210 187	264 075	313 810	342 391	408 279
B	NW372 Madibeng	308 470	369 058	462 097	586 978	710 613	839 799
B	NW373 Rustenburg	285 427	335 130	402 725	1 011 162	1 171 616	1 308 392
B	NW374 Kgetlengrivier	46 026	50 590	58 162	99 067	108 730	136 889
B	NW375 Moses Kotane	248 277	276 647	326 105	600 248	503 908	598 122
C	DC37 Bojanala Platinum District Municipality	250 823	266 080	286 552	253 963	270 200	290 779
<b>Total: Bojanala Platinum Municipalities</b>		<b>1 316 290</b>	<b>1 507 692</b>	<b>1 799 716</b>	<b>2 865 228</b>	<b>3 107 458</b>	<b>3 582 260</b>
B	NW381 Ratlou	73 777	82 797	101 553	112 791	126 627	150 324
B	NW382 Tswaing	68 209	74 607	87 950	141 193	130 850	160 969
B	NW383 Mafikeng	131 186	145 926	177 871	202 785	230 309	276 616
B	NW384 Ditsobotla	83 079	88 952	98 143	146 937	154 958	183 608
B	NW385 Ramotshere Moiloa	88 637	102 746	129 720	141 917	163 343	198 431
C	DC38 Ngaka Modiri Molema District Municipality	426 496	465 909	509 322	727 155	860 947	988 134
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>871 384</b>	<b>960 937</b>	<b>1 104 559</b>	<b>1 472 778</b>	<b>1 667 034</b>	<b>1 958 082</b>
B	NW392 Naledi	34 611	36 879	40 154	85 298	83 031	79 729
B	NW393 Mamusa	34 309	37 316	43 987	64 466	75 648	85 794
B	NW394 Greater Taung	114 303	135 395	175 070	174 962	205 853	252 512
B	NW396 Lekwa-Teemane	30 312	32 859	38 172	49 256	51 896	60 928
B	NW397 NW397	73 389	83 818	104 492	124 793	126 736	173 029
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	225 666	223 722	260 966	505 127	514 446	488 401
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>		<b>512 590</b>	<b>549 989</b>	<b>662 841</b>	<b>1 003 902</b>	<b>1 057 610</b>	<b>1 140 393</b>
B	NW401 Ventersdorp	49 829	55 159	64 103	106 331	90 153	95 429
B	NW402 Tlokwe	92 603	104 399	120 781	149 778	173 416	217 934
B	NW403 City of Matlosana	337 085	340 138	342 031	483 585	471 682	474 393
B	NW404 Maquassi Hills	81 259	85 989	92 525	127 625	153 448	197 911
C	DC40 Dr Kenneth Kaunda District Municipality	155 482	160 721	166 170	158 622	164 706	170 539
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>716 258</b>	<b>746 406</b>	<b>785 610</b>	<b>1 025 941</b>	<b>1 053 405</b>	<b>1 156 206</b>
<b>Total: North West Municipalities</b>		<b>3 416 522</b>	<b>3 765 024</b>	<b>4 352 726</b>	<b>6 367 849</b>	<b>6 885 507</b>	<b>7 836 941</b>

**ANNEXURE W7  
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>WESTERN CAPE</b>							
A	CPT City of Cape Town	1 243 293	1 502 066	1 815 088	4 068 775	4 458 026	4 934 735
B	WC011 Matzikama	37 874	40 003	41 516	69 937	79 448	90 670
B	WC012 Cederberg	28 188	30 873	34 375	92 495	91 244	76 873
B	WC013 Bergrivier	24 815	27 571	30 689	40 708	43 726	47 687
B	WC014 Saldanha Bay	38 632	46 557	55 610	60 313	67 340	77 469
B	WC015 Swartland	32 506	43 233	56 007	58 091	70 548	79 747
C	DC1 West Coast District Municipality	72 626	76 206	80 912	85 766	96 070	115 548
<b>Total: West Coast Municipalities</b>		<b>234 641</b>	<b>264 443</b>	<b>299 109</b>	<b>407 310</b>	<b>448 376</b>	<b>487 994</b>
B	WC022 Witzenberg	49 553	54 284	59 253	86 594	79 898	89 100
B	WC023 Drakenstein	75 995	85 596	97 233	131 490	134 638	160 545
B	WC024 Stellenbosch	50 157	65 832	85 118	113 576	115 780	149 078
B	WC025 Breede Valley	67 964	74 468	82 030	127 643	157 225	138 898
B	WC026 Langeberg	53 158	55 865	57 518	76 147	80 947	86 440
C	DC2 Cape Winelands District Municipality	209 436	213 628	217 049	212 576	215 812	221 583
<b>Total: Cape Winelands Municipalities</b>		<b>506 263</b>	<b>549 673</b>	<b>598 201</b>	<b>748 026</b>	<b>784 300</b>	<b>845 644</b>
B	WC031 Theewaterskloof	57 262	62 652	68 737	96 001	95 260	97 720
B	WC032 Overstrand	41 949	52 164	64 741	72 138	80 235	93 213
B	WC033 Cape Agulhas	18 057	19 424	20 744	44 368	42 344	49 204
B	WC034 Swellendam	19 857	20 979	21 979	51 931	34 917	36 619
C	DC3 Overberg District Municipality	46 637	50 646	55 626	49 777	52 830	59 996
<b>Total: Overberg Municipalities</b>		<b>183 762</b>	<b>205 865</b>	<b>231 827</b>	<b>314 215</b>	<b>305 586</b>	<b>336 752</b>
B	WC041 Kannaland	20 051	21 162	22 445	55 475	45 126	53 426
B	WC042 Hessequa	28 189	30 054	31 606	49 001	50 741	52 704
B	WC043 Mossel Bay	47 196	54 855	63 858	75 010	87 284	91 893
B	WC044 George	85 716	92 615	101 174	333 025	260 673	269 085
B	WC045 Oudtshoorn	45 958	49 992	54 609	107 912	105 789	125 481
B	WC047 Bitou	29 614	41 028	57 552	56 857	74 838	114 166
B	WC048 Knysna	35 982	44 920	56 304	75 458	75 966	98 588
C	DC4 Eden District Municipality	129 669	134 265	139 387	132 809	138 317	143 887
<b>Total: Eden Municipalities</b>		<b>422 375</b>	<b>468 891</b>	<b>526 935</b>	<b>885 547</b>	<b>838 734</b>	<b>949 230</b>
B	WC051 Laingsburg	10 224	10 911	12 132	21 394	26 069	26 567
B	WC052 Prince Albert	11 661	13 057	15 372	23 126	22 970	25 643
B	WC053 Beaufort West	35 567	39 061	44 355	64 020	80 823	75 929
C	DC5 Central Karoo District Municipality	14 638	16 895	20 204	17 778	20 751	24 215
<b>Total: Central Karoo Municipalities</b>		<b>72 090</b>	<b>79 924</b>	<b>92 063</b>	<b>129 658</b>	<b>150 613</b>	<b>152 354</b>
<b>Total: Western Cape Municipalities</b>		<b>2 662 424</b>	<b>3 070 862</b>	<b>3 563 223</b>	<b>6 553 531</b>	<b>6 985 635</b>	<b>7 706 709</b>
					<b>403 500</b>	<b>1 145 905</b>	<b>1 187 390</b>
<b>National Total</b>		<b>40 581 787</b>	<b>44 490 145</b>	<b>50 207 698</b>	<b>80 576 202</b>	<b>88 560 509</b>	<b>99 578 162</b>

*1. Includes equitable share formula allocations, RSC levies replacement and special contribution towards Councillor remuneration, but excludes the sharing of the general fuel levy with metropolitan municipalities. (See Appendix W1)*

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR  
REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL  
MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

**(National and Municipal Financial Years)**

**APPENDIX W1  
APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES  
(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +  
BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

Category	Municipality					Equitable Share Formula			RSC Levies Replacement			Special Support for Councillor Remuneration and Ward Committees			BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES												
						National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year								
						2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	Water	Sanitation	Water	Sanitation	Water	Sanitation	Water	Sanitation	Water	Sanitation
<b>EASTERN CAPE</b>																											
A	BUF	Buffalo City	653 660	656 856	654 044																						
A	NMA	Nelson Mandela Bay	743 325	761 940	772 901																						
B	EC101	Cumdeboo	36 809	38 388	40 718						2 197	2 555	2 653														
B	EC102	Blue Crane Route	39 040	40 374	42 493						1 756	2 037	2 114														
B	EC103	Ikwezi	15 512	16 782	19 195						1 348	1 404	1 458														
B	EC104	Makana	65 222	67 345	70 654						3 822	4 829	5 013														
B	EC105	Ndlambe	37 008	61 429	69 368						2 730	3 450	3 581														
B	EC106	Sundays River Valley	37 893	43 417	52 127						2 511	2 920	3 032														
B	EC107	Bavians	17 346	19 055	22 026						1 348	1 404	1 458														
B	EC108	Kouga	50 176	61 096	76 452						3 989	5 032	5 222														
B	EC109	Kou-Kamma	29 628	31 844	35 457						1 756	2 037	2 114														
C	DC10	Cacadu District Municipality	15 163	17 657	22 478						55 833	57 507	58 932														
		<b>Total: Cacadu Municipalities</b>	<b>363 797</b>	<b>397 387</b>	<b>450 968</b>						<b>58 932</b>	<b>57 507</b>	<b>58 932</b>														
B	EC121	Mbushu	127 838	152 451	200 215						8 357	10 551	10 951														
B	EC122	Minqina	160 469	180 876	225 139						8 464	10 694	11 100														
B	EC123	Great Kei	32 088	34 388	40 001						2 070	2 402	2 493														
B	EC124	Amahlathi	91 259	98 633	117 783						5 461	6 899	7 161														
B	EC126	Ngushwa	63 008	67 540	79 005						4 443	4 342	4 506														
B	EC127	Nkomkobe	88 711	99 532	123 882						5 627	7 102	7 370														
B	EC128	Nxuba	21 052	22 344	25 178						1 255	1 460	1 516														
C	DC12	Amathole District Municipality	373 527	391 586	403 937						248 104	270 433	290 538														
		<b>Total: Amathole Municipalities</b>	<b>957 952</b>	<b>1 047 350</b>	<b>1 215 140</b>						<b>248 104</b>	<b>270 433</b>	<b>290 538</b>														
B	EC131	Inxuba Yethemba	37 551	37 916	37 916						2 457	3 105	3 223														
B	EC132	Tsoobana	25 580	29 391	36 961						1 883	1 963	2 040														
B	EC133	Inkwanca	18 007	19 848	23 748						1 348	1 404	1 458														
B	EC134	Lukunji	105 284	109 230	118 560						7 372	9 314	9 668														
B	EC135	Insika Yethu	93 189	108 537	139 461						6 591	7 664	7 958														
B	EC136	Emalaheni	73 413	85 985	111 216						5 336	6 204	6 442														
B	EC137	Engcobo	81 143	97 266	128 115						5 461	6 899	7 161														
B	EC138	Sakhiszwe	40 363	45 728	56 865						2 351	2 962	3 074														
C	DC13	Chris Hani District Municipality	332 216	355 308	379 674						52 819	57 573	61 853														
		<b>Total: Chris Hani Municipalities</b>	<b>807 094</b>	<b>888 844</b>	<b>1 032 516</b>						<b>52 819</b>	<b>57 573</b>	<b>61 853</b>														
B	EC141	Elundini	79 290	95 877	126 915						5 336	6 204	6 442														
B	EC142	Senqu	93 052	104 728	130 337						5 081	6 412	6 654														
B	EC143	Matielwa	22 191	23 258	25 468						1 883	2 190	2 274														
B	EC144	Guriep	24 039	24 515	25 865						1 569	1 825	1 895														
C	DC14	Joe Qabisi District Municipality	158 898	171 958	187 586						16 784	18 294	19 654														
		<b>Total: Joe Qabisi Municipalities</b>	<b>377 470</b>	<b>420 336</b>	<b>496 071</b>						<b>16 784</b>	<b>18 294</b>	<b>19 654</b>														
B	EC153	Ngqura Hill	118 470	143 097	190 392						8 464	10 694	11 100														
B	EC154	Port St Johns	71 889	86 445	114 244						6 151	7 146	7 420														
B	EC155	Nyaneni	134 990	159 263	207 336						8 357	10 551	10 951														
B	EC156	Mhlotso	103 515	119 115	151 198						7 099	8 969	9 310														
C	DC15	King Sabata Dalindyebo	184 567	206 947	253 784						19 654	20 771	21 562														
C	DC15	O.R. Tambo District Municipality	444 162	485 407	544 067						59 808	65 192	70 039														
		<b>Total: O.R. Tambo Municipalities</b>	<b>1 047 639</b>	<b>1 200 274</b>	<b>1 461 021</b>						<b>59 808</b>	<b>65 192</b>	<b>70 039</b>														
B	EC441	Matielde	111 150	130 254	168 089						7 099	8 969	9 310														
B	EC442	Umzimvubu	110 462	127 062	161 255						7 372	9 314	9 668														
B	EC443	Mbizana	116 424	134 294	171 561						9 603	11 161	11 588														
B	EC444	Niabankulu	64 244	73 445	92 749						5 650	6 569	6 821														
C	DC44	Alfred Nzo District Municipality	285 473	305 812	327 670						28 769	31 358	33 689														
		<b>Total: Alfred Nzo Municipalities</b>	<b>687 753</b>	<b>770 867</b>	<b>921 324</b>						<b>28 769</b>	<b>31 358</b>	<b>33 689</b>														
		<b>Total: Eastern Cape Municipalities</b>	<b>5 638 690</b>	<b>6 143 854</b>	<b>7 003 985</b>						<b>462 117</b>	<b>500 357</b>	<b>534 705</b>														



**APPENDIX W1**  
**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**  
**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +**  
**BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

Category	Municipality	Equitable Share Formula				RSC Levies Replacement				Special Support for Councillor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES						
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year				
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>KWAZULU-NATAL</b>																				
A	ETH eThekweni	1 869 806	1 990 981	2 101 119																
B	KZN211 Vudamehlo	37 850	45 259	59 121																
B	KZN212 Umdoni	30 763	40 441	57 294																
B	KZN213 Umzambe	88 581	98 548	120 904																
B	KZN214 uMuziwabantu	46 773	55 862	72 991																
B	KZN215 Ezingoleni	27 724	32 503	41 453																
B	KZN216 Hibiscus Coast	92 600	103 875	126 653																
C	DC21 Ugu District Municipality	236 893	268 805	307 779	50 290	54 816	58 891													
	<b>Total: Ugu Municipalities</b>	<b>561 184</b>	<b>645 293</b>	<b>786 195</b>	<b>50 290</b>	<b>54 816</b>	<b>58 891</b>	<b>15 698</b>	<b>19 035</b>	<b>19 759</b>	<b>19 759</b>	<b>93 109</b>	<b>104 799</b>	<b>104 799</b>	<b>127 109</b>	<b>143 934</b>	<b>117 274</b>			
B	KZN221 uMshwathi	57 343	64 796	80 401																
B	KZN222 uMngeni	34 038	36 402	40 455																
B	KZN223 Mpoiana	22 149	23 551	26 344																
B	KZN224 Impendle	24 393	26 694	31 542																
B	KZN225 Msunduzi	354 313	373 677	393 300																
B	KZN226 Mkhambathini	30 386	36 931	48 869																
B	KZN227 Richmond	31 684	38 768	51 709																
C	DC22 Ungungundlovu District Municipality	162 401	174 131	188 275	176 427	192 306	206 602													
	<b>Total: Umgungundlovu Municipalities</b>	<b>716 707</b>	<b>774 950</b>	<b>860 895</b>	<b>176 427</b>	<b>192 306</b>	<b>206 602</b>	<b>14 121</b>	<b>16 562</b>	<b>17 195</b>	<b>17 195</b>	<b>64 912</b>	<b>69 071</b>	<b>69 071</b>	<b>83 777</b>	<b>89 814</b>	<b>73 180</b>			
B	KZN232 Ennambithi/Ladysmith	103 984	109 533	120 678																
B	KZN233 Indaka	60 048	63 685	72 333																
B	KZN234 Umsheshezi	30 845	36 441	47 171																
B	KZN235 Okhahlamba	65 299	74 557	93 675																
B	KZN236 Imobazane	64 968	69 353	80 404																
C	DC23 Uthukela District Municipality	231 456	245 284	258 481	37 743	41 140	44 198													
	<b>Total: Uthukela Municipalities</b>	<b>556 600</b>	<b>598 853</b>	<b>672 742</b>	<b>37 743</b>	<b>41 140</b>	<b>44 198</b>	<b>20 530</b>	<b>25 203</b>	<b>26 163</b>	<b>26 163</b>	<b>93 310</b>	<b>98 066</b>	<b>98 066</b>	<b>118 946</b>	<b>124 171</b>	<b>101 173</b>			
B	KZN241 Endumeni	29 442	31 249	35 294																
B	KZN242 Nqutu	74 516	85 861	109 514																
B	KZN244 Msinga	75 804	94 157	127 761																
B	KZN245 Umvoti	46 355	58 924	81 437																
C	DC24 Umzimvathi District Municipality	170 330	188 137	209 756	22 622	24 657	26 490													
	<b>Total: Umzimvathi Municipalities</b>	<b>396 447</b>	<b>458 328</b>	<b>563 742</b>	<b>22 622</b>	<b>24 657</b>	<b>26 490</b>	<b>18 563</b>	<b>22 852</b>	<b>23 721</b>	<b>23 721</b>	<b>68 010</b>	<b>74 548</b>	<b>74 548</b>	<b>90 418</b>	<b>99 879</b>	<b>81 380</b>			
B	KZN252 Newcastle	276 638	284 723	296 857																
B	KZN253 Emma dangeni	14 159	16 081	19 658																
B	KZN254 Dainhauser	49 546	56 334	70 517																
C	DC25 Amajuba District Municipality	52 618	55 843	59 647	51 917	56 588	60 795													
	<b>Total: Amajuba Municipalities</b>	<b>392 961</b>	<b>412 981</b>	<b>446 679</b>	<b>51 917</b>	<b>56 588</b>	<b>60 795</b>	<b>4 674</b>	<b>5 266</b>	<b>5 467</b>	<b>5 467</b>	<b>16 872</b>	<b>17 657</b>	<b>17 657</b>	<b>21 416</b>	<b>22 106</b>	<b>18 011</b>			

**APPENDIX W1**  
**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**  
**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +**  
**BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

Category	Municipality	Equitable Share Formula					RSC Levies Replacement					Special Support for Councillor Remuneration and Ward Committees					BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES							
		National and Municipal Financial Year					National and Municipal Financial Year					National and Municipal Financial Year					National and Municipal Financial Year							
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)		
B	KZN261 eDumbe	38 274	43 847	54 998															12 378	10 315	13 201	10 884	13 899	11 325
B	KZN262 uPhongolo	62 673	72 437	92 228															22 499	18 750	24 192	19 946	25 680	20 923
B	KZN263 Abaqulusi	79 558	88 102	107 152															30 754	25 628	33 197	27 370	35 376	28 824
B	KZN265 Nongoma	75 426	89 085	116 640															24 934	20 778	26 638	21 963	28 096	22 892
B	KZN266 Ulundi	80 642	93 220	119 947															24 415	20 346	25 973	21 414	27 278	22 226
C	DC26 Zululand District Municipality	238 764	255 259	272 860															114 980	95 817	123 201	101 577	130 329	106 190
	<b>Total: Zululand Municipalities</b>	<b>575 337</b>	<b>641 950</b>	<b>763 825</b>	<b>38 166</b>	<b>41 601</b>	<b>44 694</b>	<b>23 981</b>	<b>30 274</b>	<b>31 421</b>									<b>82 913</b>	<b>69 094</b>	<b>96 079</b>	<b>79 216</b>	<b>110 855</b>	<b>90 321</b>
B	KZN271 Umhlabiyalingana	62 983	81 649	115 138															23 344	19 453	27 097	22 341	31 316	25 515
B	KZN272 Jozi	79 208	96 532	129 461															25 535	21 279	29 328	24 180	33 536	27 324
B	KZN273 The Big 5 False Bay	15 927	21 110	29 635															5 338	4 448	6 197	5 109	7 162	5 835
B	KZN274 Hibisa	27 663	34 220	46 319															7 604	6 337	8 755	7 219	10 037	8 178
B	KZN275 Mtubatuba	54 780	74 552	109 684															21 092	17 577	24 702	20 367	28 804	23 469
C	DC27 Umkhanyakude District Municipality	173 541	200 458	233 522															82 913	69 094	96 079	79 216	110 855	90 321
	<b>Total: Umkhanyakude Municipalities</b>	<b>414 102</b>	<b>508 521</b>	<b>663 759</b>	<b>23 062</b>	<b>25 138</b>	<b>27 007</b>	<b>21 436</b>	<b>24 761</b>	<b>25 711</b>									<b>19 001</b>	<b>15 834</b>	<b>20 662</b>	<b>17 035</b>	<b>22 177</b>	<b>18 069</b>
B	KZN281 Mfolozi	47 684	62 032	88 271															9 807	8 173	10 391	8 567	10 867	8 854
B	KZN282 uMhlatuze	190 384	204 798	228 096															33 606	28 005	36 067	29 737	38 208	31 131
B	KZN283 Ntambana	21 892	28 008	39 472															7 944	6 620	8 418	6 941	8 805	7 174
B	KZN284 uMlalazi	84 228	102 151	136 443															16 808	14 007	17 755	14 639	18 513	15 084
B	KZN285 Mthonjaneni	26 198	29 784	36 883															9 807	8 173	10 391	8 567	10 867	8 854
B	KZN286 Nkandla	52 832	61 084	77 850															16 808	14 007	17 755	14 639	18 513	15 084
C	DC28 uThungulu District Municipality	173 064	184 377	194 608															87 166	72 639	93 293	76 919	98 570	80 312
	<b>Total: Uthungulu Municipalities</b>	<b>596 282</b>	<b>672 234</b>	<b>801 623</b>	<b>180 845</b>	<b>197 121</b>	<b>211 775</b>	<b>20 117</b>	<b>24 247</b>	<b>25 171</b>									<b>24 470</b>	<b>20 392</b>	<b>28 445</b>	<b>23 452</b>	<b>33 037</b>	<b>26 917</b>
B	KZN291 Mandeni	69 647	84 746	113 484															39 348	32 790	46 558	38 385	55 040	44 845
B	KZN292 KwaDukuza	78 566	88 242	106 084															19 418	16 182	22 233	18 331	25 433	20 723
B	KZN293 Ndwedwe	62 292	76 483	103 564															13 533	11 278	15 284	12 601	17 247	14 052
B	KZN294 Maphumulo	50 623	57 158	70 859															57 301	62 459	67 102	62 459	67 102	67 102
C	DC29 iLembe District Municipality	196 085	227 101	265 244															96 769	80 642	112 520	92 769	130 757	106 537
	<b>Total: iLembe Municipalities</b>	<b>457 213</b>	<b>533 730</b>	<b>659 035</b>	<b>57 301</b>	<b>62 459</b>	<b>67 102</b>	<b>13 176</b>	<b>16 290</b>	<b>16 910</b>									<b>19 328</b>	<b>16 107</b>	<b>20 466</b>	<b>16 874</b>	<b>21 284</b>	<b>17 342</b>
B	KZN431 Ingwe	53 549	62 123	79 103															2 660	2 217	2 794	2 304	2 883	2 349
B	KZN432 KwaSani	11 498	12 230	13 730															13 105	10 921	13 768	11 351	14 206	11 575
B	KZN433 Greater KwaZulu	45 766	44 952	44 804															19 474	16 228	20 649	17 024	21 503	17 520
B	KZN434 Uthulebeze	53 273	62 696	81 054															37 111	30 926	39 652	32 692	41 612	33 904
B	KZN435 Umzimkhulu	91 377	109 463	144 345															91 678	76 399	97 329	80 245	101 488	82 090
C	DC43 Sisonke District Municipality	192 016	203 401	214 415															876 965	730 804	6 851	964 088	794 867	7 182
	<b>Total: Sisonke Municipalities</b>	<b>447 479</b>	<b>494 865</b>	<b>577 451</b>	<b>20 491</b>	<b>22 335</b>	<b>23 995</b>	<b>19 761</b>	<b>23 940</b>	<b>24 856</b>									<b>876 965</b>	<b>730 804</b>	<b>6 851</b>	<b>964 088</b>	<b>794 867</b>	<b>7 182</b>
	<b>Total: KwaZulu-Natal Municipalities</b>	<b>6 984 118</b>	<b>7 732 686</b>	<b>8 897 065</b>	<b>658 864</b>	<b>718 161</b>	<b>771 549</b>	<b>172 057</b>	<b>208 430</b>	<b>216 374</b>									<b>876 965</b>	<b>730 804</b>	<b>6 851</b>	<b>964 088</b>	<b>794 867</b>	<b>7 182</b>

**APPENDIX W1**  
**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**  
**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +**  
**BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

Category	Municipality	Equitable Share Formula				RSC Levies Replacement				Special Support for Councillor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES				
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)
<b>LIMPOPO</b>																		
B	LIM31 Greater Giyani	139 913	163 511	211 769					8 191	10 349	10 742	47 804	39 837	53 013	43 708	58 685	47 816	
B	LIM32 Greater Letaba	138 607	157 786	199 219				7 811	9 861	10 235	45 169	37 641	50 007	41 230	41 230	55 266	45 029	
B	LIM33 Greater Tzaneen	211 762	236 039	289 971				4 915	6 209	6 445	77 084	64 236	85 962	70 873	70 873	95 693	77 968	
B	LIM34 Be-Phalaborwa	64 518	77 098	101 388				4 267	4 957	5 146	24 276	20 230	27 192	22 419	22 419	30 405	24 774	
B	LIM35 Mankweng	56 475	66 943	87 719				75 353	82 134	88 240	18 471	15 393	20 562	16 953	16 953	22 848	18 616	
C	DC33 Mopani District Municipality	1 040 831	1 177 612	1 422 098				75 353	82 134	88 240						262 897	214 203	
	<b>Total: Mopani Municipalities</b>							<b>75 353</b>	<b>82 134</b>	<b>88 240</b>	<b>25 184</b>	<b>31 376</b>	<b>32 568</b>	<b>236 736</b>	<b>195 183</b>	<b>262 897</b>	<b>214 203</b>	
B	LIM41 Musina	32 510	36 872	45 778				1 883	2 190	2 274	13 490	11 241	15 759	12 993	12 993	18 386	14 981	
B	LIM42 Middelburg	47 094	60 215	84 063				4 080	4 744	4 927	17 136	14 280	19 474	16 056	16 056	22 100	18 007	
B	LIM43 Thulamela	290 472	338 870	434 680							110 123	91 769	124 455	102 610	102 610	140 462	114 445	
B	LIM44 Makhado	256 239	288 042	356 332							92 003	76 669	103 965	85 716	85 716	117 323	95 592	
C	DC34 Vhembe District Municipality	475 138	536 406	610 955				48 966	53 373	57 341						117 323	95 592	
	<b>Total: Vhembe Municipalities</b>	<b>1 101 453</b>	<b>1 260 405</b>	<b>1 531 008</b>				<b>48 966</b>	<b>53 373</b>	<b>57 341</b>	<b>5 963</b>	<b>6 934</b>	<b>7 201</b>	<b>263 653</b>	<b>217 375</b>	<b>298 271</b>	<b>243 025</b>	
B	LIM51 Bloubaai	94 941	109 998	140 611							5 627	7 102	7 370	36 944	30 460	38 972	31 753	
B	LIM52 Aganang	79 043	91 336	116 430							5 837	6 781	7 041	29 083	23 978	30 519	24 866	
B	LIM53 Molemole	76 594	84 083	101 739							4 267	4 957	5 146	25 836	21 301	27 159	22 128	
B	LIM54 Polokwane	415 990	454 995	518 016										24 240	20 200	27 159	22 128	
B	LIM55 Lepelle-Nkumpi	130 379	151 359	195 001							7 811	9 861	10 235	49 663	40 946	52 615	42 870	
C	DC35 Capricorn District Municipality	277 922	296 745	316 367				153 923	167 777	180 250								
	<b>Total: Capricorn Municipalities</b>	<b>1 074 869</b>	<b>1 188 516</b>	<b>1 388 164</b>				<b>153 923</b>	<b>167 777</b>	<b>180 250</b>	<b>23 542</b>	<b>28 701</b>	<b>29 792</b>	<b>141 526</b>	<b>116 685</b>	<b>149 265</b>	<b>121 617</b>	
B	LIM61 Thabazimbi	56 959	56 699	55 564							3 170	3 997	4 148					
B	LIM62 Lephalale	79 802	82 632	86 977							3 276	4 140	4 297					
B	LIM64 Mookgopong	27 445	32 038	39 284							1 569	1 825	1 895					
B	LIM65 Modimolle	54 826	55 476	56 270							2 457	3 105	3 223					
B	LIM66 Bela-Bela	46 288	51 264	59 831							2 351	2 962	3 074					
B	LIM67 Mogalakwena	267 909	292 559	339 353														
C	DC36 Waterberg District Municipality	21 527	24 172	29 606				73 082	75 274	77 139								
	<b>Total: Waterberg Municipalities</b>	<b>554 756</b>	<b>594 840</b>	<b>666 885</b>				<b>73 082</b>	<b>75 274</b>	<b>77 139</b>	<b>12 823</b>	<b>16 029</b>	<b>16 637</b>					
B	LIM471 Ephraim Mogale	72 780	86 108	113 043							4 369	5 519	5 729	26 192	21 594	30 308	24 695	
B	LIM472 Elias Moseleledi	135 247	156 579	202 717							8 191	10 349	10 742	45 861	37 811	53 031	43 208	
B	LIM473 Makhuduthamaga	149 506	171 271	218 241							8 357	10 551	10 951	51 581	42 527	59 208	48 241	
B	LIM474 Fetakgomo	48 993	59 003	78 483							3 953	4 592	4 767	14 302	13 509	18 776	15 298	
B	LIM475 Greater Tubatse	139 991	172 024	235 441							8 464	10 694	11 100	57 399	47 324	67 412	54 926	
C	DC47 Sekhukhune District Municipality	347 430	400 925	467 411				58 727	64 013	68 772								
	<b>Total: Sekhukhune Municipalities</b>	<b>893 947</b>	<b>1 045 910</b>	<b>1 315 336</b>				<b>58 727</b>	<b>64 013</b>	<b>68 772</b>	<b>33 334</b>	<b>41 705</b>	<b>43 289</b>	<b>197 418</b>	<b>162 765</b>	<b>228 735</b>	<b>186 368</b>	
	<b>Total: Limpopo Municipalities</b>	<b>4 665 856</b>	<b>5 267 283</b>	<b>6 324 291</b>				<b>410 051</b>	<b>442 571</b>	<b>471 742</b>	<b>100 846</b>	<b>124 745</b>	<b>129 487</b>	<b>859 333</b>	<b>692 008</b>	<b>939 168</b>	<b>765 213</b>	



**APPENDIX W1**  
**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**  
**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +**  
**BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

Category	Equitable Share Formula				RSC Levies Replacement				Special Support for Councillor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES									
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year			
	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	
<b>Municipality</b>																						
<b>NORTHERN CAPE</b>																						
B	NC061	Rehiersveld	11 083	11 348	11 841							1 255	1 460	1 516								
B	NC062	Nama Khoi	31 123	32 151	33 431							2 698	3 132	3 251								
B	NC064	Kamiesberg	12 333	13 720	16 107							1 348	1 404	1 458								
B	NC065	Hantam	18 870	18 888	18 856							1 442	1 672	1 735								
B	NC066	Karoo Hoogland	12 550	13 255	14 300							1 348	1 404	1 458								
B	NC067	Khâa-Ma	11 786	12 406	13 375							1 348	1 404	1 458								
B	DC6	Namakwa District Municipality	6 146	6 241	6 563	24 924	25 671	26 307	26 307	26 307	26 307	2 078	2 617	2 716								
		<b>Total: Namakwa Municipalities</b>	<b>103 891</b>	<b>108 009</b>	<b>114 473</b>	<b>24 924</b>	<b>25 671</b>	<b>26 307</b>	<b>26 307</b>	<b>26 307</b>	<b>26 307</b>	<b>11 517</b>	<b>13 093</b>	<b>13 592</b>								
B	NC071	Ubuntu	18 145	20 125	23 602							1 255	1 460	1 516								
B	NC072	Umsobomvu	29 115	30 532	32 944							1 569	1 825	1 895								
B	NC073	Emthanjeni	32 623	32 771	33 169							2 197	2 555	2 653								
B	NC074	Kareeberg	12 139	13 762	16 563							1 129	1 307	1 356								
B	NC075	Renosterberg	14 226	15 098	16 642							1 348	1 404	1 458								
B	NC076	Thembellile	14 302	15 314	17 150							1 348	1 404	1 458								
B	NC077	Siyathemba	19 916	20 967	22 633							1 255	1 460	1 516								
B	NC078	Siyancuma	35 086	35 960	37 332							1 756	2 037	2 114								
C	DC7	Pixley Ka Senze District Municipality	9 898	11 842	15 478	16 652	17 151	17 576	17 576	17 576	17 576	2 825	3 284	3 411								
		<b>Total: Pixley Ka Senze Municipalities</b>	<b>185 450</b>	<b>196 371</b>	<b>215 493</b>	<b>16 652</b>	<b>17 151</b>	<b>17 576</b>	<b>17 576</b>	<b>17 576</b>	<b>17 576</b>	<b>14 682</b>	<b>16 736</b>	<b>17 377</b>								
B	NC081	Mier	9 668	10 889	13 031							1 348	1 404	1 458								
B	NC082	Ikai 'Garib	45 935	47 316	48 897							2 351	2 962	3 074								
B	NC083	//Kha-ra Hais	50 198	51 439	52 526							3 716	4 687	4 864								
B	NC084	IKheis	15 551	16 542	18 154							1 348	1 404	1 458								
B	NC085	Tsantsabane	24 389	25 023	25 979							1 756	2 037	2 114								
B	NC086	Kgatllopele	14 047	14 626	15 528							1 255	1 460	1 516								
C	DC8	Siyanda District Municipality	9 557	10 678	13 123	32 529	33 504	34 334	34 334	34 334	34 334	2 897	3 652	3 790								
		<b>Total: Siyanda Municipalities</b>	<b>169 345</b>	<b>176 513</b>	<b>187 238</b>	<b>32 529</b>	<b>33 504</b>	<b>34 334</b>	<b>34 334</b>	<b>34 334</b>	<b>34 334</b>	<b>14 671</b>	<b>17 606</b>	<b>18 274</b>								
B	NC091	Sol Plaatje	145 905	145 433	142 820							2 070	2 402	2 493								
B	NC092	Dikgatlong	45 952	49 222	55 453							1 442	1 672	1 735								
B	NC093	Magareng	28 852	30 384	32 950							2 457	3 105	3 223								
B	NC094	Phokwane	64 597	68 186	73 904							3 716	4 687	4 864								
C	DC9	Frances Baard District Municipality	10 329	10 053	10 176	75 945	82 780	88 934	88 934	88 934	88 934	9 685	11 866	12 315								
		<b>Total: Frances Baard Municipalities</b>	<b>295 635</b>	<b>303 278</b>	<b>315 303</b>	<b>75 945</b>	<b>82 780</b>	<b>88 934</b>	<b>88 934</b>	<b>88 934</b>	<b>88 934</b>	<b>9 685</b>	<b>11 866</b>	<b>12 315</b>								
B	NC451	Joe Morolong	76 199	87 798	109 013							4 581	5 322	5 525								
B	NC452	Ga-Segonyana	70 148	82 517	104 384							3 443	4 342	4 506	13 300						14 529	
B	NC453	Gamagara	19 634	20 220	21 029							1 569	1 825	1 895								
C	DC45	John Taolo Gaetsewe District Municipality	25 411	28 075	28 075	31 682	32 631	33 440	33 440	33 440	33 440	2 730	3 450	3 581								
		<b>Total: John Taolo Gaetsewe Municipalities</b>	<b>189 681</b>	<b>215 946</b>	<b>262 501</b>	<b>31 682</b>	<b>32 631</b>	<b>33 440</b>	<b>33 440</b>	<b>33 440</b>	<b>33 440</b>	<b>12 323</b>	<b>14 939</b>	<b>15 507</b>	<b>13 300</b>						<b>14 035</b>	<b>14 529</b>
		<b>Total: Northern Cape Municipalities</b>	<b>944 002</b>	<b>1 000 117</b>	<b>1 095 008</b>	<b>181 732</b>	<b>191 737</b>	<b>200 591</b>	<b>200 591</b>	<b>200 591</b>	<b>200 591</b>	<b>62 878</b>	<b>74 240</b>	<b>77 065</b>	<b>13 300</b>						<b>14 035</b>	<b>14 529</b>





**APPENDIX W2**

**APPENDIX TO SCHEDULE 5B: MUNICIPAL INFRASTRUCTURE GRANT AND MUNICIPAL WATER INFRASTRUCTURE GRANT**

**(BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES  
AUTHORISED FOR SERVICES)**

(National and Municipal Financial Years)

## APPENDIX W2

**APPENDIX TO SCHEDULE 5B: MUNICIPAL INFRASTRUCTURE GRANT AND MUNICIPAL WATER INFRASTRUCTURE GRANT  
(BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED  
FOR SERVICES)**

Municipality	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year		
	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>EASTERN CAPE</b>						
B	EC121	Mbhashe	126 399	134 729	144 384	
B	EC122	Mnquma	126 040	134 346	143 974	
B	EC123	Great Kei	11 304	12 049	12 913	
B	EC124	Amahlathi	38 258	40 779	43 701	12 300
B	EC126	Ngqushwa	24 859	26 498	28 397	28 850
B	EC127	Nkonkobe	32 065	34 178	36 628	
B	EC128	Nxuba	3 058	3 259	3 493	
C	DC12	Amathole District Municipality				
<b>Total: Amathole Municipalities</b>			<b>361 983</b>	<b>385 838</b>	<b>413 490</b>	<b>12 300</b>
B	EC131	Inxuba Yethemba	3 062	2 598	2 668	
B	EC132	Tsolwana	6 616	5 614	5 763	
B	EC133	Inkwanca	1 247	1 058	1 086	
B	EC134	Lukanji	25 751	21 850	22 433	
B	EC135	Intsika Yethu	90 300	76 618	78 662	29 372
B	EC136	Emalahleni	46 091	39 107	40 151	48 528
B	EC137	Engcobo	89 054	75 560	77 576	
B	EC138	Sakhisizwe	20 917	17 747	18 221	
C	DC13	Chris Hani District Municipality				
<b>Total: Chris Hani Municipalities</b>			<b>283 038</b>	<b>240 152</b>	<b>246 560</b>	<b>29 372</b>
B	EC141	Elundini	81 810	74 852	79 416	3 750
B	EC142	Senqu	54 201	49 591	52 615	5 001
B	EC143	Maletswai	5 476	5 010	5 316	5 000
B	EC144	Gariep	2 697	2 467	2 618	5 006
C	DC14	Joe Gqabi District Municipality				5 002
<b>Total: Joe Gqabi Municipalities</b>			<b>144 184</b>	<b>131 920</b>	<b>139 965</b>	<b>15 001</b>
B	EC153	Ngquza Hill	136 159	127 075	134 935	5 696
B	EC154	Port St Johns	77 430	72 264	76 734	27 204
B	EC155	Nyandeni	138 790	129 530	137 542	16 310
B	EC156	Mhlontlo	85 244	79 557	84 478	20 388
B	EC157	King Sabata Dalindyebo	157 161	146 677	155 749	25 485
C	DC15	O.R.Tambo District Municipality				19 230
<b>Total: O.R.Tambo Municipalities</b>			<b>594 784</b>	<b>555 103</b>	<b>589 438</b>	<b>14 886</b>
B	EC441	Matatiele	77 904	78 529	83 757	5 696
B	EC442	Umzimvubu	79 440	80 078	85 409	1 457
B	EC443	Mbizana	117 918	118 865	126 779	5 517
B	EC444	Ntabankulu	49 534	49 932	53 256	15 326
C	DC44	Alfred Nzo District Municipality				41 657
<b>Total: Alfred Nzo Municipalities</b>			<b>324 796</b>	<b>327 404</b>	<b>349 201</b>	<b>15 218</b>
<b>Total: Eastern Cape Municipalities</b>			<b>1 708 785</b>	<b>1 640 417</b>	<b>1 738 654</b>	<b>86 777</b>
						<b>251 686</b>
						<b>469 843</b>

## APPENDIX W2

**APPENDIX TO SCHEDULE 5B: MUNICIPAL INFRASTRUCTURE GRANT AND MUNICIPAL WATER INFRASTRUCTURE GRANT  
(BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED  
FOR SERVICES)**

Municipality	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year		
	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>KWAZULU-NATAL</b>						
A	ETH	eThekweni				
B	KZN211	Vulamehlo	30 111	26 848	28 453	9 140
B	KZN212	Umdoni	19 017	16 956	17 970	11 825
B	KZN213	Umzumbe	81 477	72 648	76 990	53 238
B	KZN214	uMuziwabantu	33 462	29 836	31 619	7 866
B	KZN215	Ezingoleni	14 732	13 135	13 921	10 175
B	KZN216	Hibiscus Coast	60 556	53 994	57 221	45 809
C	DC21	Ugu District Municipality				4 251
<b>Total: Ugu Municipalities</b>			<b>239 355</b>	<b>213 417</b>	<b>226 174</b>	<b>21 257</b>
B	KZN221	uMshwathi	24 835	22 240	23 561	8 750
B	KZN222	uMngeni	14 570	13 047	13 822	28 611
B	KZN223	Mpofana	8 019	7 181	7 608	80 080
B	KZN224	Impendle	10 719	9 599	10 169	
B	KZN225	Msunduzi				6 250
B	KZN226	Mkhambathini	19 535	17 494	18 532	11 389
B	KZN227	Richmond	15 483	13 865	14 689	58 333
C	DC22	Umgungundlovu District Municipality				
<b>Total: Umgungundlovu Municipalities</b>			<b>93 161</b>	<b>83 426</b>	<b>88 381</b>	<b>15 000</b>
B	KZN232	Emnambithi/Ladysmith	35 940	36 622	39 050	8 716
B	KZN233	Indaka	26 490	26 993	28 782	12 000
B	KZN234	Umtshezi	17 168	17 494	18 653	1 743
B	KZN235	Okhahlamba	36 514	37 206	39 673	2 400
B	KZN236	Imbabazane	31 592	32 191	34 326	1 017
C	DC23	Uthukela District Municipality				1 400
<b>Total: Uthukela Municipalities</b>			<b>147 704</b>	<b>150 506</b>	<b>160 484</b>	<b>14 525</b>
B	KZN241	Endumeni	6 610	6 353	6 758	1 160
B	KZN242	Nqutu	42 125	40 488	43 066	1 429
B	KZN244	Msinga	77 177	74 177	78 901	1 762
B	KZN245	Umvoti	37 634	36 171	38 475	2 171
C	DC24	Umzinyathi District Municipality				6 210
<b>Total: Umzinyathi Municipalities</b>			<b>163 546</b>	<b>157 189</b>	<b>167 200</b>	<b>16 050</b>
B	KZN252	Newcastle				5 486
B	KZN253	Emadlangeni	10 438	9 189	9 246	7 040
B	KZN254	Dannhauser	26 113	22 988	23 130	8 693
C	DC25	Amajuba District Municipality				1 791
<b>Total: Amajuba Municipalities</b>			<b>36 551</b>	<b>32 177</b>	<b>32 376</b>	<b>15 970</b>
						<b>19 080</b>
						<b>34 650</b>

## APPENDIX W2

**APPENDIX TO SCHEDULE 5B: MUNICIPAL INFRASTRUCTURE GRANT AND MUNICIPAL WATER INFRASTRUCTURE GRANT  
(BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED  
FOR SERVICES)**

Municipality	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year		
	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
B KZN261 eDumbe	15 040	12 752	13 283	2 316	2 442	4 921
B KZN262 uPhongolo	46 936	39 795	41 452	1 871	1 973	3 977
B KZN263 Abaqulusi	45 549	38 619	40 227	9 827	10 364	20 887
B KZN265 Nongoma	72 890	61 799	64 373	16 803	17 724	35 717
B KZN266 Ulundi	46 574	39 488	41 132	6 353	6 701	13 504
C DC26 Zululand District Municipality						
<b>Total: Zululand Municipalities</b>	<b>226 989</b>	<b>192 453</b>	<b>200 467</b>	<b>37 170</b>	<b>39 205</b>	<b>79 006</b>
B KZN271 Umhlabuyalingana	53 648	51 401	54 666	8 393	8 377	16 670
B KZN272 Jozini	64 392	61 695	65 613	8 568	8 551	17 018
B KZN273 The Big 5 False Bay	6 902	6 613	7 033	2 978	2 972	5 916
B KZN274 Hlabisa	17 376	16 649	17 706	1 353	1 350	2 689
B KZN275 Mtubatuba	47 644	45 649	48 548	5 782	5 770	11 482
C DC27 Umkhanyakude District Municipality						
<b>Total: Umkhanyakude Municipalities</b>	<b>189 962</b>	<b>182 007</b>	<b>193 566</b>	<b>27 074</b>	<b>27 020</b>	<b>53 775</b>
B KZN281 Mfiozi	27 584	25 643	27 224	3 948	4 241	11 449
B KZN282 uMhlathuze				17 547	18 850	50 882
B KZN283 Ntambanana	20 699	19 242	20 429	8 291	8 907	24 041
B KZN284 uMlalazi	67 296	62 559	66 418	18 556	19 933	53 808
B KZN285 Mthonjaneni	13 680	12 717	13 501	3 554	3 817	10 303
B KZN286 Nkandla	31 835	29 594	31 419	5 130	5 514	14 882
C DC28 uThungulu District Municipality						
<b>Total: Uthungulu Municipalities</b>	<b>161 094</b>	<b>149 755</b>	<b>158 991</b>	<b>57 025</b>	<b>61 262</b>	<b>165 365</b>
B KZN291 Mandeni	32 338	33 748	36 086	3 978	3 522	17 542
B KZN292 KwaDukuza	46 987	49 035	52 433	20 638	18 273	91 018
B KZN293 Ndwedwe	35 099	36 629	39 167	19 744	17 482	87 076
B KZN294 Maphumulo	35 737	37 295	39 879	5 332	4 722	23 518
C DC29 iLembe District Municipality						
<b>Total: iLembe Municipalities</b>	<b>150 161</b>	<b>156 707</b>	<b>167 565</b>	<b>49 692</b>	<b>44 000</b>	<b>219 154</b>
B KZN431 Ingwe	34 209	36 903	39 598	5 480	9 120	17 400
B KZN432 Kwa Sani	2 399	2 588	2 777	2 466	4 104	7 830
B KZN433 Greater Kokstad	6 681	7 207	7 733	2 056	3 420	6 526
B KZN434 Ubuhlebezwe	32 979	35 575	38 174	1 957	3 256	6 214
B KZN435 Umzimkhulu	77 235	83 316	89 401	1 742	2 900	5 530
C DC43 Sisonke District Municipality						
<b>Total: Sisonke Municipalities</b>	<b>153 503</b>	<b>165 589</b>	<b>177 683</b>	<b>13 701</b>	<b>22 800</b>	<b>43 500</b>
<b>Total: KwaZulu-Natal Municipalities</b>	<b>1 562 026</b>	<b>1 483 226</b>	<b>1 572 887</b>	<b>267 464</b>	<b>320 642</b>	<b>985 921</b>

**APPENDIX TO SCHEDULE 5B: MUNICIPAL INFRASTRUCTURE GRANT AND MUNICIPAL WATER INFRASTRUCTURE GRANT  
(BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED  
FOR SERVICES)**

Municipality	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year		
	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>LIMPOPO</b>						
B LIM331 Greater Giyani	84 583	96 827	104 512	3 859	10 435	24 295
B LIM332 Greater Letaba	66 153	75 729	81 740	3 861	10 445	24 306
B LIM333 Greater Tzaneen	132 707	151 916	163 975	6 554	14 662	37 770
B LIM334 Ba-Phalaborwa	21 413	24 513	26 459	845	3 382	4 227
B LIM335 Maruleng	28 182	32 262	34 822	1 787	4 147	11 934
C DC33 Mopani District Municipality						
<b>Total: Mopani Municipalities</b>	<b>333 038</b>	<b>381 247</b>	<b>411 508</b>	<b>16 906</b>	<b>43 071</b>	<b>102 532</b>
B LIM341 Musina	10 306	11 821	12 762	90	360	450
B LIM342 Mutale	23 118	26 518	28 628	8 307	19 921	46 535
B LIM343 Thulamela	194 458	223 060	240 804	14 501	25 452	77 506
B LIM344 Makhado	149 229	171 179	184 796	15 005	25 153	90 741
C DC34 Vhembe District Municipality						
<b>Total: Vhembe Municipalities</b>	<b>377 111</b>	<b>432 578</b>	<b>466 990</b>	<b>37 903</b>	<b>70 886</b>	<b>215 232</b>
B LIM351 Blouberg	58 296	64 204	68 955	1 627	6 508	8 135
B LIM352 Aganang	36 095	39 753	42 694	1 453	5 813	7 266
B LIM353 Molemole	35 977	39 623	42 554	285	1 140	1 425
B LIM354 Polokwane						
B LIM355 Lepele-Nkumpi	72 024	79 324	85 193	6 099	13 918	34 872
C DC35 Capricorn District Municipality						
<b>Total: Capricorn Municipalities</b>	<b>202 392</b>	<b>222 904</b>	<b>239 396</b>	<b>9 464</b>	<b>27 379</b>	<b>51 698</b>
B LIM471 Ephraim Mogale	37 421	39 722	42 559	2 891	11 564	14 455
B LIM472 Elias Motsoaledi	92 302	97 977	104 976	9 278	28 135	46 891
B LIM473 Makhuduthamaga	105 483	111 968	119 965	3 626	14 505	18 132
B LIM474 Fetakgomo	28 057	29 782	31 909	376	1 503	1 879
B LIM475 Greater Tubatse	120 481	127 888	137 023	13 029	30 807	69 145
C DC47 Sekhukhune District Municipality						
<b>Total: Sekhukhune Municipalities</b>	<b>383 744</b>	<b>407 337</b>	<b>436 432</b>	<b>29 200</b>	<b>86 514</b>	<b>150 502</b>
<b>Total: Limpopo Municipalities</b>	<b>1 296 285</b>	<b>1 444 066</b>	<b>1 554 326</b>	<b>93 473</b>	<b>227 850</b>	<b>519 964</b>

**APPENDIX TO SCHEDULE 5B: MUNICIPAL INFRASTRUCTURE GRANT AND MUNICIPAL WATER INFRASTRUCTURE GRANT  
(BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED  
FOR SERVICES)**

Municipality	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year		
	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>NORTH WEST</b>						
B NW381 Ratlou	35 886	41 574	44 934	3 300	4 000	4 000
B NW382 Tswaing	26 747	30 986	33 491	2 800	3 000	3 000
B NW383 Mafikeng	77 778	90 105	97 389	4 100	5 000	5 000
B NW384 Ditsobotla	31 209	36 156	39 078	7 017	16 067	47 082
B NW385 Ramotshere Moiloa	40 523	46 946	50 740	2 700	3 000	3 000
C DC38 Ngaka Modiri Molema District Municipality						
<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>212 143</b>	<b>245 767</b>	<b>265 632</b>	<b>19 917</b>	<b>31 067</b>	<b>62 082</b>
B NW392 Naledi	7 741	8 518	9 160			
B NW393 Mamusa	6 736	7 412	7 970			
B NW394 Greater Taung	55 272	60 822	65 399	8 700		
B NW396 Lekwa-Teemane	1 772	1 950	2 097			
B NW397 NW397	27 792	30 583	32 884			
C DC39 Dr Ruth Segomotsi Mompoti District Municipality						
<b>Total: Dr Ruth Segomotsi Mompoti Municipalities</b>	<b>99 313</b>	<b>109 285</b>	<b>117 510</b>	<b>8 700</b>		
<b>Total: North West Municipalities</b>	<b>311 456</b>	<b>355 052</b>	<b>383 142</b>	<b>28 617</b>	<b>31 067</b>	<b>62 082</b>
<b>National Total</b>	<b>4 878 552</b>	<b>4 922 761</b>	<b>5 249 009</b>	<b>476 331</b>	<b>831 245</b>	<b>2 037 810</b>

**APPENDIX W3**

**APPENDIX TO SCHEDULE 5B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

(National and Municipal Financial Years)

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality		Expanded Public Works Programme Integrated Grant for Municipalities			
			2013/14 FTE Performance Target	National and Municipal Financial Year		
				2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>EASTERN CAPE</b>						
A	BUF	Buffalo City	1 891	2 705		
A	NMA	Nelson Mandela Bay	2 573	20 885		
B	EC101	Camdeboo	68	1 000		
B	EC102	Blue Crane Route	83	1 000		
B	EC103	Ikwezi	51	1 000		
B	EC104	Makana	112	1 000		
B	EC105	Ndlambe	105	1 000		
B	EC106	Sundays River Valley	93	1 000		
B	EC107	Baviaans	60	1 045		
B	EC108	Kouga	113	1 330		
B	EC109	Kou-Kamma	75	1 000		
C	DC10	Cacadu District Municipality	19	1 000		
<b>Total: Cacadu Municipalities</b>			<b>779</b>	<b>10 375</b>		
B	EC121	Mbhashe	145	1 000		
B	EC122	Mnquma	189	1 000		
B	EC123	Great Kei	64	1 000		
B	EC124	Amahlathi	106	1 000		
B	EC126	Ngqushwa	85	1 000		
B	EC127	<b>Nkonkobe</b>	124	2 180		
B	EC128	Nxuba	56	1 000		
C	DC12	Amathole District Municipality	1 292	3 125		
<b>Total: Amathole Municipalities</b>			<b>2 061</b>	<b>11 305</b>		
B	EC131	Inxuba Yethemba	60	1 000		
B	EC132	Tsolwana	56	1 000		
B	EC133	Inkwanca	50	1 000		
B	EC134	Lukanji	130	1 515		
B	EC135	Intsika Yethu	118	1 000		
B	EC136	Emalahleni	92	1 000		
B	EC137	Engcobo	102	1 000		
B	EC138	Sakhisizwe	70	1 000		
C	DC13	Chris Hani District Municipality	1 250	8 445		
<b>Total: Chris Hani Municipalities</b>			<b>1 928</b>	<b>16 960</b>		
B	EC141	Elundini	112	1 398		
B	EC142	Senqu	129	2 160		
B	EC143	Maletswai	67	1 000		
B	EC144	Gariep	57	1 000		
C	DC14	Joe Gqabi District Municipality	571	1 000		
<b>Total: Joe Gqabi Municipalities</b>			<b>936</b>	<b>6 558</b>		
B	EC153	Ngquza Hill	140	1 000		
B	EC154	Port St Johns	96	1 000		
B	EC155	Nyandeni	144	1 000		
B	EC156	Mhlontlo	128	1 025		
B	EC157	King Sabata Dalindyebo	196	1 000		
C	DC15	O.R.Tambo District Municipality	2 746	5 870		
<b>Total: O.R.Tambo Municipalities</b>			<b>3 450</b>	<b>10 895</b>		
B	EC441	Matatiele	193	3 946		
B	EC442	Umzimvubu	133	1 220		
B	EC443	Mbizana	132	1 000		
B	EC444	Ntabankulu	94	1 000		
C	DC44	Alfred Nzo District Municipality	815	5 780		
<b>Total: Alfred Nzo Municipalities</b>			<b>1 367</b>	<b>12 946</b>		
<b>Total: Eastern Cape Municipalities</b>			<b>14 985</b>	<b>92 629</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality		Expanded Public Works Programme Integrated Grant for Municipalities			
			2013/14 FTE Performance Target	National and Municipal Financial Year		
				2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>FREE STATE</b>						
A	MAN	Mangaung	1 863	3 896		
B	FS161	Letsemeng	89	1 000		
B	FS162	Kopanong	93	1 000		
B	FS163	Mohokare	78	1 000		
B	FS164	Naledi	73	1 000		
C	DC16	Xhariep District Municipality	19	1 000		
<b>Total: Xhariep Municipalities</b>			<b>352</b>	<b>5 000</b>		
B	FS181	Masilonyana	135	1 000		
B	FS182	Tokoloko	87	1 000		
B	FS183	Tswelopele	115	1 000		
B	FS184	Matjhabeng	652	1 000		
B	FS185	Nala	194	1 000		
C	DC18	Lejweleputswa District Municipality	19	1 000		
<b>Total: Lejweleputswa Municipalities</b>			<b>1 202</b>	<b>6 000</b>		
B	FS191	Setsoto	275	1 750		
B	FS192	Dihlabeng	182	1 000		
B	FS193	Nketoana	126	1 000		
B	FS194	Maluti-a-Phofung	848	10 210		
B	FS195	Phumelela	103	1 000		
B	FS196	Mantsopa	106	1 000		
C	DC19	Thabo Mofutsanyana District Municipality	19	1 000		
<b>Total: Thabo Mofutsanyana Municipalities</b>			<b>1 659</b>	<b>16 960</b>		
B	FS201	Moqhaka	167	1 000		
B	FS203	Ngwathe	178	1 000		
B	FS204	Metsimaholo	168	1 000		
B	FS205	Mafube	100	1 000		
C	DC20	Fezile Dabi District Municipality	19	1 000		
<b>Total: Fezile Dabi Municipalities</b>			<b>632</b>	<b>5 000</b>		
<b>Total: Free State Municipalities</b>			<b>5 708</b>	<b>36 856</b>		
<b>GAUTENG</b>						
A	EKU	Ekurhuleni	4 661	10 405		
A	JHB	City of Johannesburg	6 421	89 434		
A	TSH	City of Tshwane	4 425	29 670		
B	GT421	Emfuleni	579	4 885		
B	GT422	Midvaal	106	1 000		
B	GT423	Lesedi	107	1 000		
C	DC42	Sedibeng District Municipality	19	1 000		
<b>Total: Sedibeng Municipalities</b>			<b>811</b>	<b>7 885</b>		
B	GT481	Mogale City	346	1 894		
B	GT482	Randfontein	135	1 000		
B	GT483	Westonaria	227	1 000		
B	GT484	Merafong City	263	1 520		
C	DC48	West Rand District Municipality	19	1 000		
<b>Total: West Rand Municipalities</b>			<b>990</b>	<b>6 414</b>		
<b>Total: Gauteng Municipalities</b>			<b>17 308</b>	<b>143 808</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2013/14 FTE Performance Target	National and Municipal Financial Year		
			2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>KWAZULU-NATAL</b>					
A	ETH eThekweni	883	47 381		
B	KZN211 Vulamehlo	52			
B	KZN212 Umdoni	69	1 000		
B	KZN213 Umzumbe	95			
B	KZN214 uMuziwabantu	77	1 000		
B	KZN215 Ezingoleni	61	1 000		
B	KZN216 Hibiscus Coast	116	1 000		
C	DC21 Ugu District Municipality	936	1 000		
<b>Total: Ugu Municipalities</b>		<b>1 406</b>	<b>5 000</b>		
B	KZN221 uMshwathi	77	1 000		
B	KZN222 uMngeni	70	1 000		
B	KZN223 Mpofana	56	1 000		
B	KZN224 Impendle	53	1 000		
B	KZN225 Msunduzi	520	1 874		
B	KZN226 Mkhambathini	58	1 000		
B	KZN227 Richmond	71	1 017		
C	DC22 Umgungundlovu District Municipality	348	1 000		
<b>Total: Umgungundlovu Municipalities</b>		<b>1 253</b>	<b>8 891</b>		
B	KZN232 Emnambithi/Ladysmith	148	2 729		
B	KZN233 Indaka	83	1 000		
B	KZN234 Umtshezi	59	1 000		
B	KZN235 Okhahlamba	92	1 000		
B	KZN236 Imbabazane	85	1 000		
C	DC23 Uthukela District Municipality	597	1 000		
<b>Total: Uthukela Municipalities</b>		<b>1 064</b>	<b>7 729</b>		
B	KZN241 Endumeni	58	1 000		
B	KZN242 Nqutu	99	1 000		
B	KZN244 Msinga	105	1 115		
B	KZN245 Umvoti	87	1 660		
C	DC24 Umzinyathi District Municipality	640	1 000		
<b>Total: Umzinyathi Municipalities</b>		<b>989</b>	<b>5 775</b>		
B	KZN252 Newcastle	310	1 310		
B	KZN253 Emadlangeni	52	1 000		
B	KZN254 Dannhauser	77	1 000		
C	DC25 Amajuba District Municipality	177	1 000		
<b>Total: Amajuba Municipalities</b>		<b>616</b>	<b>4 310</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2013/14 FTE Performance Target	National and Municipal Financial Year		
			2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
B	KZN261 eDumbe	49			
B	KZN262 uPhongolo	83	1 000		
B	KZN263 Abaqulusi	99	1 000		
B	KZN265 Nongoma	99	1 000		
B	KZN266 Ulundi	103	1 000		
C	DC26 Zululand District Municipality	927	2 942		
<b>Total: Zululand Municipalities</b>		<b>1 360</b>	<b>6 942</b>		
B	KZN271 Umhlabuyalingana	95	1 000		
B	KZN272 Jozini	111	1 000		
B	KZN273 The Big 5 False Bay	35			
B	KZN274 Hlabisa	88	1 000		
B	KZN275 Mtubatuba	53	1 000		
C	DC27 Umkhanyakude District Municipality	736	1 000		
<b>Total: Umkhanyakude Municipalities</b>		<b>1 118</b>	<b>5 000</b>		
B	KZN281 Mfolozi	74	1 000		
B	KZN282 uMhlathuze	293	1 000		
B	KZN283 Ntambanana	58	1 000		
B	KZN284 uMlalazi	104	1 000		
B	KZN285 Mthonjaneni	60	1 000		
B	KZN286 Nkandla	121	2 830		
C	DC28 uThungulu District Municipality	671	2 840		
<b>Total: Uthungulu Municipalities</b>		<b>1 381</b>	<b>10 670</b>		
B	KZN291 Mandeni	100	1 000		
B	KZN292 KwaDukuza	130	1 000		
B	KZN293 Ndwedwe	96	1 000		
B	KZN294 Maphumulo	83	1 000		
C	DC29 iLembe District Municipality	586	1 000		
<b>Total: iLembe Municipalities</b>		<b>995</b>	<b>5 000</b>		
B	KZN431 Ingwe	82	1 000		
B	KZN432 Kwa Sani	49	1 000		
B	KZN433 Greater Kokstad	80	1 000		
B	KZN434 Ubuhlebezwe	85	1 000		
B	KZN435 Umzimkhulu	171	1 000		
C	DC43 Sisonke District Municipality	575	2 739		
<b>Total: Sisonke Municipalities</b>		<b>1 042</b>	<b>7 739</b>		
<b>Total: KwaZulu-Natal Municipalities</b>		<b>12 107</b>	<b>114 437</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2013/14 FTE Performance Target	National and Municipal Financial Year		
			2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>LIMPOPO</b>					
B	LIM331 Greater Giyani	134	1 000		
B	LIM332 Greater Letaba	149	1 198		
B	LIM333 Greater Tzaneen	211	1 710		
B	LIM334 Ba-Phalaborwa	84	1 000		
B	LIM335 Maruleng	114	1 000		
C	DC33 Mopani District Municipality	1 029	1 000		
<b>Total: Mopani Municipalities</b>		<b>1 721</b>	<b>6 908</b>		
B	LIM341 Musina	65	1 000		
B	LIM342 Mutale	72	1 000		
B	LIM343 Thulamela	268	1 735		
B	LIM344 Makhado	232	1 000		
C	DC34 Vhembe District Municipality	1 224	4 655		
<b>Total: Vhembe Municipalities</b>		<b>1 861</b>	<b>9 390</b>		
B	LIM351 Blouberg	116	1 000		
B	LIM352 Aganang	102	1 000		
B	LIM353 Molemole	94	1 000		
B	LIM354 Polokwane	787	4 614		
B	LIM355 Lepele-Nkumpi	133	1 198		
C	DC35 Capricorn District Municipality	686	1 000		
<b>Total: Capricorn Municipalities</b>		<b>1 918</b>	<b>9 812</b>		
B	LIM361 Thabazimbi	152	1 000		
B	LIM362 Lephale	159	1 115		
B	LIM364 Mookgopong	71	1 000		
B	LIM365 Modimolle	150	1 000		
B	LIM366 Bela-Bela	78	1 000		
B	LIM367 Mogalakwena	456	1 154		
C	DC36 Waterberg District Municipality	19	1 000		
<b>Total: Waterberg Municipalities</b>		<b>1 085</b>	<b>7 269</b>		
B	LIM471 Ephraim Mogale	87	1 000		
B	LIM472 Elias Motsoaledi	130	1 000		
B	LIM473 Makhuduthamaga	150	1 000		
B	LIM474 Fetakgomo	78	1 000		
B	LIM475 Greater Tubatse	158	1 000		
C	DC47 Sekhukhune District Municipality	1 340	1 000		
<b>Total: Sekhukhune Municipalities</b>		<b>1 943</b>	<b>6 000</b>		
<b>Total: Limpopo Municipalities</b>		<b>8 528</b>	<b>39 379</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2013/14 FTE Performance Target	National and Municipal Financial Year		
			2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>MPUMALANGA</b>					
B	MP301 Albert Luthuli	315	3 785		
B	MP302 Msukaligwa	146	1 000		
B	MP303 Mkhondo	223	1 954		
B	MP304 Pixley Ka Seme	159	3 072		
B	MP305 Lekwa	157	1 056		
B	MP306 Dipaleseng	87	1 000		
B	MP307 Govan Mbeki	331	2 151		
C	DC30 Gert Sibande District Municipality	19	1 000		
<b>Total: Gert Sibande Municipalities</b>		<b>1 437</b>	<b>15 018</b>		
B	MP311 Victor Khanye	106	1 465		
B	MP312 Emalahleni	330	1 594		
B	MP313 Steve Tshwete	149	1 639		
B	MP314 Emakhazeni	69	1 000		
B	MP315 Thembisile Hani	395	2 842		
B	MP316 Dr JS Moroka	408	3 096		
C	DC31 Nkangala District Municipality	19	1 000		
<b>Total: Nkangala Municipalities</b>		<b>1 476</b>	<b>12 636</b>		
B	MP321 Thaba Chweu	121	1 000		
B	MP322 Mbombela	627	1 695		
B	MP323 Umjindi	110	1 286		
B	MP324 Nkomazi	543	6 044		
B	MP325 Bushbuckridge	954	2 596		
C	DC32 Ehlanzeni District Municipality	19	1 000		
<b>Total: Ehlanzeni Municipalities</b>		<b>2 374</b>	<b>13 621</b>		
<b>Total: Mpumalanga Municipalities</b>		<b>5 287</b>	<b>41 275</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2013/14 FTE Performance Target	National and Municipal Financial Year		
			2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>NORTHERN CAPE</b>					
B	NC061 Richtersveld	46	1 000		
B	NC062 Nama Khoi	70	1 000		
B	NC064 Kamiesberg	56	1 000		
B	NC065 Hantam	59	1 000		
B	NC066 Karoo Hoogland	55	1 000		
B	NC067 Khâi-Ma	53	1 000		
C	DC6 Namakwa District Municipality	19	1 000		
<b>Total: Namakwa Municipalities</b>		<b>358</b>	<b>7 000</b>		
B	NC071 Ubuntu	55	1 000		
B	NC072 Umsobomvu	64	1 000		
B	NC073 Emthanjeni	70	1 000		
B	NC074 Kareeberg	49	1 000		
B	NC075 Renosterberg	50	1 000		
B	NC076 Thembelihle	62	1 000		
B	NC077 Siyathemba	58	1 000		
B	NC078 Siyancuma	84	1 000		
C	DC7 Pixley Ka Seme District Municipality	19	1 000		
<b>Total: Pixley Ka Seme Municipalities</b>		<b>511</b>	<b>9 000</b>		
B	NC081 Mier	55	1 000		
B	NC082 !Kai !Garib	85	1 000		
B	NC083 //Khara Hais	94	1 000		
B	NC084 !Kheis	63	1 000		
B	NC085 Tsantsabane	64	1 000		
B	NC086 Kgatelopele	48	1 000		
C	DC8 Siyanda District Municipality	19	1 000		
<b>Total: Siyanda Municipalities</b>		<b>428</b>	<b>7 000</b>		
B	NC091 Sol Plaatjie	298	6 618		
B	NC092 Dikgatlong	100	1 000		
B	NC093 Magareng	60	1 000		
B	NC094 Phokwane	102	1 000		
C	DC9 Frances Baard District Municipality	19	1 000		
<b>Total: Frances Baard Municipalities</b>		<b>579</b>	<b>10 618</b>		
B	NC451 Joe Morolong	197	1 000		
B	NC452 Ga-Segonyana	193	1 000		
B	NC453 Gamagara	52	1 000		
C	DC45 John Taolo Gaetsewe District Municipality	19	1 000		
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>461</b>	<b>4 000</b>		
<b>Total: Northern Cape Municipalities</b>		<b>2 337</b>	<b>37 618</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2013/14 FTE Performance Target	National and Municipal Financial Year		
			2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>NORTH WEST</b>					
B	NW371 Moretele	351	1 175		
B	NW372 Madibeng	677	2 573		
B	NW373 Rustenburg	790	7 990		
B	NW374 Kgetlengrivier	82	1 000		
B	NW375 Moses Kotane	436	2 386		
C	DC37 Bojanala Platinum District Municipality	19	1 000		
<b>Total: Bojanala Platinum Municipalities</b>		<b>2 355</b>	<b>16 124</b>		
B	NW381 Ratlou	89	1 080		
B	NW382 Tswaing	99	1 000		
B	NW383 Mafikeng	205	3 720		
B	NW384 Ditsobotla	135	1 982		
B	NW385 Ramotshere Moiloa	108	1 135		
C	DC38 Ngaka Modiri Molema District Municipality	662	1 000		
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>1 298</b>	<b>9 917</b>		
B	NW392 Naledi	65	1 000		
B	NW393 Mamusa	72	1 000		
B	NW394 Greater Taung	122	1 000		
B	NW396 Lekwa-Teemane	69	1 000		
B	NW397 NW397	113	1 000		
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	383	1 668		
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>		<b>824</b>	<b>6 668</b>		
B	NW401 Ventersdorp	96	1 000		
B	NW402 Tlokwe	150	1 000		
B	NW403 City of Matlosana	405	1 000		
B	NW404 Maquassi Hills	128	1 000		
C	DC40 Dr Kenneth Kaunda District Municipality	19	1 000		
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>798</b>	<b>5 000</b>		
<b>Total: North West Municipalities</b>		<b>5 275</b>	<b>37 709</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality		Expanded Public Works Programme Integrated Grant for Municipalities			
			2013/14 FTE Performance Target	National and Municipal Financial Year		
				2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>WESTERN CAPE</b>						
A	CPT	City of Cape Town	4 178	32 080		
B	WC011	Matzikama	77	1 000		
B	WC012	Cederberg	68	1 000		
B	WC013	Bergrivier	56	1 000		
B	WC014	Saldanha Bay	87	1 554		
B	WC015	Swartland	65	1 000		
C	DC1	West Coast District Municipality	19	1 000		
<b>Total: West Coast Municipalities</b>			<b>372</b>	<b>6 554</b>		
B	WC022	Witzenberg	89	1 000		
B	WC023	Drakenstein	130	1 000		
B	WC024	Stellenbosch	113	1 760		
B	WC025	Breede Valley	116	1 000		
B	WC026	Langeberg	77	1 000		
C	DC2	Cape Winelands District Municipality	19	1 000		
<b>Total: Cape Winelands Municipalities</b>			<b>544</b>	<b>6 760</b>		
B	WC031	Theewaterskloof	101	1 000		
B	WC032	Overstrand	77	1 244		
B	WC033	Cape Agulhas	51	1 000		
B	WC034	Swellendam	54	1 000		
C	DC3	Overberg District Municipality	19	1 000		
<b>Total: Overberg Municipalities</b>			<b>302</b>	<b>5 244</b>		
B	WC041	Kannaland	55	1 000		
B	WC042	Hessequa	59	1 000		
B	WC043	Mossel Bay	96	2 240		
B	WC044	George	201	3 285		
B	WC045	Oudtshoorn	89	1 800		
B	WC047	Bitou	65	1 000		
B	WC048	Knysna	95	1 000		
C	DC4	Eden District Municipality	19	1 000		
<b>Total: Eden Municipalities</b>			<b>679</b>	<b>12 325</b>		
B	WC051	Laingsburg	45	1 000		
B	WC052	Prince Albert	46	1 000		
B	WC053	Beaufort West	86	1 000		
C	DC5	Central Karoo District Municipality	19	1 000		
<b>Total: Central Karoo Municipalities</b>			<b>196</b>	<b>4 000</b>		
<b>Total: Western Cape Municipalities</b>			<b>6 271</b>	<b>66 963</b>		
<b>Unallocated:</b>					<b>632 325</b>	<b>660 966</b>
<b>National Total</b>			<b>77 806</b>	<b>610 674</b>	<b>632 325</b>	<b>660 966</b>

**APPENDIX W4**

**APPENDIX TO SCHEDULE 6B: REGIONAL BULK INFRASTRUCTURE GRANT**

**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

**(National and Municipal Financial Years)**

**APPENDIX W4**  
**APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT**  
**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
	<b>EASTERN CAPE</b>						
ECR038	Graaf-Reinet Emergency Water Supply Scheme	B DC10	Cacadu District Municipality	Camdeboo Local Municipality	10 000	14 400	
ECR037	Augmentation)	B DC10	Cacadu District Municipality	Ndlambe Local Municipality	50 000	113 464	80 000
ECR024	Sundays River- Paterson Bulk Water Supply	B EC106	Sundays River Valley Local Municipality	Sundays River Valley Local Municipality	6 466		
ECR039	Steylerville Water Supply Scheme	B DC10	Cacadu District Municipality	Baviaans Local Municipality	10 000	20 000	23 808
		<b>Total: Cacadu Municipalities</b>			<b>76 466</b>	<b>147 864</b>	<b>103 808</b>
ECR010	Mnewansa Bulk Water Supply	C DC12	Amathole District Municipality	Mbashe Local Municipality	26 504	34 400	35 000
ECR015	Xhona East Water Supply	C DC12	Amathole District Municipality	Mbashe Local Municipality	25 000		
ECRNEW	Amathole Regional Bulk Water Supply	C DC44	Alfred Nzo District Municipality	Various	5 000	150 000	350 000
ECR006	Ibika Water supply	C DC12	Amathole District Municipality	Mnquma Local Municipality			
		<b>Total: Amathole Municipalities</b>			<b>56 504</b>	<b>209 400</b>	<b>410 000</b>
ECR033	Cluster 4 CHDM Bulk Water Supply	C DC13	Chris Hani District Municipality	Engcobo Local Municipality	20 000	54 300	50 000
ECR028	Cluster 6 CHDM Bulk Water Supply	C DC13	Chris Hani District Municipality	Engcobo Local Municipality	30 000	35 000	10 268
ECR029	Cluster 9 CHDM Bulk Water Supply	C DC13	Chris Hani District Municipality	Insika yethu Local Municipality	30 000	40 600	
ECR002	Xoxa Bulk Water Supply	C DC13	Chris Hani District Municipality	Engcobo Local Municipality	55 000	58 672	58 235
ECR005	Holmeyer Ground Water Supply	C DC13	Chris Hani District Municipality	Tsolwana Local Municipality	30 024		
		<b>Total: Chris Hani Municipalities</b>			<b>165 024</b>	<b>193 237</b>	<b>118 503</b>
ECR019	OR Tambo DM Regional Water Supply	C DC15	O.R. Tambo District Municipality	King Sabaththa Dalindyebo Local Municipality	200 000	300 000	350 000
		<b>Total: O.R. Tambo Municipalities</b>			<b>200 000</b>	<b>300 000</b>	<b>350 000</b>
ECR001	Matatiele Bulk Water Supply Scheme	C DC44	Alfred Nzo District Municipality	Matatiele Local Municipality	20 000	25 000	
ECR036	Mount Ayliff Bulk Water Supply Scheme	C DC44	Alfred Nzo District Municipality	Mzimvubu Local Municipality	20 000	25 000	
ECR008	Mbizana Regional Bulk Water Supply	C DC44	Alfred Nzo District Municipality	Mbizana Local Municipality	59 300	60 000	49 689
		<b>Total: Alfred Nzo Municipalities</b>			<b>99 300</b>	<b>110 000</b>	<b>49 689</b>
		<b>Total: Eastern Cape Municipalities</b>			<b>597 294</b>	<b>960 501</b>	<b>1 032 000</b>
	<b>FREE STATE</b>						
FSR002	Jagersfontein /Fauresmith Bulk Water Supply	B FS162	Kopanong Local Municipality	Kopanong Local Municipality	24 900	25 000	42 000
FSR005	Rouxville /Smithfield /Zastron BWS	B FS163	Mobokare Local Municipality	Mobokare Local Municipality	23 000	25 000	33 000
		<b>Total: Xhariep Municipalities</b>			<b>47 900</b>	<b>50 000</b>	<b>75 000</b>
FSR011	Masifonyana BWS	B FS181	Masifonyana Local Municipality	Masifonyana Local Municipality	17 000	20 000	25 000
FSR008	Tokologo Regional Water Supply	B FS182	Tokologo Local Municipality	Tokologo, Sani Plagije LMs	32 820	45 000	45 000
		<b>Total: Lepelleputswa Municipalities</b>			<b>49 820</b>	<b>65 000</b>	<b>70 000</b>
FSR013	Setsoo Bulk Water Supply	B FS191	Setsoo Local Municipality	Setsoo Local Municipality	20 000	25 000	20 000
FSR003	Diblaheng Bulk Water Supply	B FS192	Diblaheng Local Municipality	Diblaheng Local Municipality	20 580	35 000	21 054
FSR012	Nketoana Regional Water Supply	B FS193	Nketoana Local Municipality	Nketoana Local Municipality	14 000	16 000	21 000
FSR007	Sierkfontein Dam Bulk Water Supply	B FS194	Matutu-a-Phofong Local Municipality	Matutu-a-Phofong Local Municipality	32 600	35 896	32 600
FSR006	Phumlela Bulk Water Supply	B FS195	Phumlela Local Municipality	Phumlela Local Municipality	20 000	30 000	30 000
		<b>Total: Thabo Mofutsanyana Municipalities</b>			<b>107 180</b>	<b>141 896</b>	<b>124 654</b>
FSR010	Mooqhaka BWS	B FS201	Mooqhaka Local municipality	Mooqhaka Local municipality	15 000	15 000	20 000
FSR009	Ngwathe Bulk Water Supply Phase 2	B FS203	Ngwathe Local Municipality	Ngwathe Local Municipality	5 000	14 000	14 000
		<b>Total: Fezile Dabi Municipalities</b>			<b>20 000</b>	<b>29 000</b>	<b>34 000</b>
		<b>Total: Free State Municipalities</b>			<b>224 900</b>	<b>285 896</b>	<b>303 654</b>

**APPENDIX W4**  
**APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT**  
**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT					National Financial Year		
Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>GAUTENG</b>							
GPR004	Upgrade of Western Highveld Water Treatment Plant	A TSH	City of Tshwane	City of Tshwane Metropolitan Municipality	30 000	50 000	
		A TSH	City of Tshwane		30 000	50 000	
GPR001	Sediberg Waste Water Treatment Works (Split into projects below)	B DC42	Sediberg District Municipality	Various		20 000	15 000
GPR005	Sebokeng Waste Water Treatment Works	B GT421	Emfuleni Local Municipality	Emfuleni Local Municipality	90 000	110 000	172 000
GPR006	Meyerton Waste Water Treatment Works	B GT422	Midvaal Local Municipality	Midvaal Local Municipality	50 000	90 000	108 000
		<b>Total: Sediberg Municipalities</b>			<b>140 000</b>	<b>220 000</b>	<b>295 000</b>
GPR002	Westonaria Regional Bulk Sanitation (Hannes van Niekerk)	B GT483	Westonaria Local Municipality	Westonaria Local Municipality	45 000		
GPR002	Westonaria Regional Bulk Sanitation (Zuurbekom)	B GT483	Westonaria Local Municipality	Westonaria Local Municipality	26 000	67 700	60 000
		<b>Total: West Rand Municipalities</b>			<b>71 000</b>	<b>67 700</b>	<b>60 000</b>
		<b>Total: Gauteng Municipalities</b>			<b>241 000</b>	<b>337 700</b>	<b>355 000</b>
<b>KWAZULU-NATAL</b>							
KNR013	Mhlabaanshane Bulk Water Supply	C DC21	Ugu District Municipality	Umzumbhe Local Municipality	35 000	35 000	18 834
		<b>Total: Ugu Municipalities</b>			<b>35 000</b>	<b>35 000</b>	<b>18 834</b>
KNR006	Greater Eston Water Scheme	C DC22	Ungangulovu District Municipality	Mkhambathini Local Municipality	38 000	31 800	35 000
		<b>Total: Ungangulovu Municipalities</b>			<b>38 000</b>	<b>31 800</b>	<b>35 000</b>
KNR010	Driefontein Complex Bulk Water Supply	C DC23	Uthukela District Municipality	Ennambithi/ Lady'smith Local Municipality	35 000	30 000	30 000
		<b>Total: Uthukela Municipalities</b>			<b>35 000</b>	<b>30 000</b>	<b>30 000</b>
KNR008	Greytown Regional Bulk Scheme	C DC24	Umzinyathi District Municipality	Umvoti Local Municipality	31 813	200 000	320 000
		<b>Total: Umzinyathi Municipalities</b>			<b>31 813</b>	<b>200 000</b>	<b>320 000</b>
KNR001	Nongoma BWS	C DC26	Zululand District Municipality	Nongoma Local Municipality	48 413		
KNR002	Mandlakazi Bulk Water Supply	C DC26	Zululand District Municipality	uPhongolo & Nongoma Local Municipalities	6 928		
		<b>Total: Zululand Municipalities</b>			<b>55 341</b>		
KNR015	Pongolapoort Bulk water Scheme	C DC27	Umkhanyakude District Municipality	Jozini Local Municipality	179 017	350 000	90 000
KNR003	Hlabisa Bulk Water Supply	C DC27	Umkhanyakude District Municipality	Hlabisa Local Municipality	20 000		
KNR014	Dukuduku Resettlement	C DC27	Umkhanyakude District Municipality	Mtubatuba/ Big 5 False Bay Local Municipalities	30 000	17 000	15 000
		<b>Total: Umkhanyakude Municipalities</b>			<b>229 017</b>	<b>367 000</b>	<b>105 000</b>
KNR005	Greater Mthonjaneni Bulk Water Supply	C DC28	uThungulu District Municipality	Mthonjaneni/ Nkandla Local Municipalities	35 000	150 000	330 000
KNR016	Middledrift (Nkandla) Regional Bulk Water Supply	C DC28	uThungulu District Municipality	Nkandla Local Municipality		30 000	30 000
		<b>Total: uThungulu Municipalities</b>			<b>35 000</b>	<b>180 000</b>	<b>360 000</b>
KNR011	Ngebo Regional Water Bulk (Lower Tugela)	C DC29	iLembe District Municipality	Maphumulo Local Municipality	80 000	90 000	81 166
KNR017	Lower Thukela (Umgeni Water Board)	C DC29	iLembe District Municipality	Ndwebwe/ KwaDukuza/ Maphumulo/ Mandeni LM's	50 000	200 000	300 000
		<b>Total: iLembe Municipalities</b>			<b>130 000</b>	<b>290 000</b>	<b>381 166</b>
KNR007	Greater Bulwer Donnybrook Water Scheme	C DC43	Sisonke District Municipality	Ingwe Local Municipality	15 429	33 200	30 000
		<b>Total: Sisonke Municipalities</b>			<b>15 429</b>	<b>33 200</b>	<b>30 000</b>
		<b>Total: KwaZulu-Natal Municipalities</b>			<b>604 600</b>	<b>1 167 000</b>	<b>1 280 000</b>

**APPENDIX W4**  
**APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT**  
**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT</b>							
<b>LIMPOPO</b>							
LPR018	Giyani Bulk Water Supply Drought relief	C DC33	Mopani District Municipality	Greater Giyani Local Municipality	35 000	42 000	83 167
LPR017	Mameja Sekororo	C DC33	Mopani District Municipality	Maruleng Local Municipality	45 689	44 915	83 167
		<b>Total: Mopani Municipalities</b>			<b>80 689</b>	<b>86 915</b>	
LPR016	Sinthumule Kutama Bulk Water Supply	C DC34	Vhembe District Municipality	Makhodo Local Municipality	60 000	25 000	
		<b>Total: Vhembe Municipalities</b>			<b>60 000</b>	<b>25 000</b>	
LPR015	Mogalakwena Bulk Water Supply	B LIM367	Mogalakwena Local Municipality	Mogalakwena Local Municipality	60 000	84 000	141 500
		<b>Total: Waterberg Municipalities</b>			<b>60 000</b>	<b>84 000</b>	
LPR019	Moutse Bulk Water Supply	C DC47	Sekhukhune District Municipality	Ephraim Mogale/ Elias Mokoaledi LMs	40 000	42 500	80 000
LPR011	Nebo Bulk Water Supply	C DC47	Sekhukhune District Municipality	Greater Tubatse/ Makhudumabaga LMs	40 000	40 000	80 000
LPR012	Mooihook/Tubatse Bulk Water Supply	C DC47	Sekhukhune District Municipality	Greater Tubatse Local Municipality	35 000	43 000	80 000
LPR021	Sekhukhune DMI Regional Bulk Water Supply (De Hoop)	C DC47	Sekhukhune District Municipality	Various	266 311	396 084	400 000
		<b>Total: Sekhukhune Municipalities</b>			<b>381 311</b>	<b>521 584</b>	<b>560 000</b>
		<b>Total: Limpopo Municipalities</b>			<b>582 000</b>	<b>717 499</b>	<b>784 667</b>
<b>MPUMALANGA</b>							
MPR021	Eerstehoek/Ekulindeni Bulk Water Supply	B MP301	Albert Luthuli Local Municipality	Albert Luthuli Local Municipality	13 000	24 000	28 000
MPR022	Empul/Methu/Amster Bulk Water Supply	B MP301	Albert Luthuli Local Municipality	Albert Luthuli Local Municipality	12 000	40 000	40 000
MPR023	Ermelo North Water Treatment Works	B MP302	Msakaligwa Local Municipality	Msakaligwa Local Municipality	15 000	23 000	38 000
MPR024	Balf/Siyat/Grey/Willem/Nthor Bulk Water Supply	B MP306	Dipaleseng Local Municipality	Dipaleseng Local Municipality	15 000	20 000	22 000
		<b>Total: Gert Sibande Municipalities</b>			<b>55 000</b>	<b>107 000</b>	<b>128 000</b>
MPR017	Emalahleni Water Scheme	B MP312	Emalahleni Local Municipality	Emalahleni Local Municipality	27 800	22 000	24 000
MPR005	Western Highveld Scheme	B MP316	Dr-Is Moroka Local Municipality	Dr-Is Moroka Local Municipality	10 000	20 000	28 000
		<b>Total: Nkangala Municipalities</b>			<b>37 800</b>	<b>42 000</b>	<b>52 000</b>
MPR019	Northern Nzakazi Bulk Water Supply	B MP322	Mbombela Local Municipality	Mbombela Local Municipality	10 000	25 000	34 000
MPR018	Drekeoppies Upgrading	C DC32	Ehlanzeni District Municipality	Nkomazi Local Municipality	10 000	26 000	20 000
MPR020	Sibange BWS	C DC32	Ehlanzeni District Municipality	Nkomazi Local Municipality	10 000	25 000	20 000
		<b>Total: Ehlanzeni Municipalities</b>			<b>30 000</b>	<b>76 000</b>	<b>54 000</b>
		<b>Total: Mpumalanga Municipalities</b>			<b>122 800</b>	<b>225 000</b>	<b>234 000</b>

**APPENDIX W4  
APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT  
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT				National Financial Year			
Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>NORTHERN CAPE</b>							
NCR017	Bulk water supply to Porth Nolloth	B	Richtersveld Local Municipality	Richtersveld Local Municipality	7 000	20 000	120 000
NCR012	Replacement of Namakwa Waste Water Treatment Works	B	Nama Khoi Local Municipality	Nama Khoi Local Municipality	72 200	72 260	16 500
NCR016	Bulk Water Supply to Brandvlei (Hantam)	B	Hantam Local Municipality	Hantam Local Municipality	79 200	92 360	136 500
<b>Total: Namakwa Municipalities</b>							
NCR010	Oranje river - Colesberg - Noupoort Bulk Water Supply	B	Umsobomvu Local Municipality	Umsobomvu Local Municipality	35 000	30 000	30 000
NCR015	De Aar Borehole Development	B	Emthanjeni Local Municipality	Emthanjeni Local Municipality	20 000	16 640	16 640
NCR024	Van Wyksvlei Bulk Water Supply	B	Kareeberg Local Municipality	Kareeberg Local Municipality	15 000	15 000	13 700
NCRNEW	Renosterberg Bulk Water Supply	B	Renosterberg Local Municipality	Renosterberg Local Municipality	13 000	13 000	
NCR003	Thembehilhe Bulk Water Supply	B	Thembehilhe Local Municipality	Thembehilhe Local Municipality	16 000	1 500	
NCR022	Nickerkshoop Bulk Water Supply	B	Siyathemba Local Municipality	Siyathemba Local Municipality	6 500		
<b>Total: Pixley ka Seme Municipalities</b>							
NCR025	Homewale Waste Water Treatment Works	B	Sol Plaatjie Local Municipality	Sol Plaatjie Local Municipality	15 000	20 000	28 000
NCR020	Windsorton to Holpan Bulk Water Supply	B	Dikgatlong Local Municipality	Dikgatlong Local Municipality	30 500	40 000	16 500
NCR009	Vaal Gamagara Groundwater Resource Development	C	Frances Baard District Municipality	Various	45 500	60 000	53 800
<b>Total: Frances Baard Municipalities</b>							
NCR005	Heuningvlei / Moshaweng Bulk Water Supply	B	Joe Morolong Local Municipality	Joe Morolong Local Municipality	34 000	31 000	31 000
NCR018	Kuruman Bulk Water Supply	B	Ga-Segonyana Local Municipality	Ga-Segonyana Local Municipality	19 000	30 000	40 000
NCR019	Kathu Waste Water Treatment Works	B	Gamaqara Local Municipality	Gamaqara Local Municipality	15 000	20 000	22 000
<b>Total: John Taulo Gaisewe Municipalities</b>							
<b>Total: Northern Cape Municipalities</b>							
					<b>270 200</b>	<b>309 500</b>	<b>340 500</b>
<b>NORTH WEST</b>							
NWR005	Madiberg Bulk Water Supply	B	Madiberg Local Municipality	Madiberg Local Municipality	18 000	42 400	50 000
NWR013	Koster Waste Water Treatment Works upgrade	B	Kgetlengrivier Local Municipality	Kgetlengrivier Local Municipality	2 600	2 600	20 000
NWRNEW	Planesberg Scheme North and South	B	Moses Kotane Local Municipality	Moses Kotane Local Municipality	200 000	70 000	94 000
<b>Total: Bojanala Platinum Municipalities</b>							
NWR002	Ratlou Bulk Water Supply	C	Ngaka Modiri Molema	Ratlou Local Municipality	11 000	30 000	50 000
NWR014	Mafikeng South Bulk Water Supply	C	Ngaka Modiri Molema	Mafikeng Local Municipality	5 000	30 000	40 000
<b>Total: Ngaka Modiri Molema Municipalities</b>							
NWR009	Taung / Naledi Bulk Water Supply	C	Dr Ruth Segomotsi Mompati District Municipality	Greater Taung / Naledi Local Municipalities	110 000	98 000	70 000
MWR008	Greater Mamusa Bulk Water Supply	C	Dr Ruth Segomotsi Mompati District Municipality	Mamusa Local Municipality	25 000	49 000	70 000
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>							
NWR010	Ventersdorp Bulk Water Supply	B	Ventersdorp Local Municipality	Ventersdorp Local Municipality	16 000	16 000	10 000
NWR016	Potchefstroom Waste Water Treatment Works upgrade	B	Tlokwe Local Municipality	Tlokwe Local Municipality	5 000	25 000	54 600
NWR015	Wolmaranstad Waste Water Treatment Works	B	Maquassi Hills Local Municipality	Maquassi Hills Local Municipality	21 000	25 000	64 600
<b>Total: Dr Kenneth Kaunda Municipalities</b>							
<b>Total: North West Municipalities</b>					<b>390 000</b>	<b>347 000</b>	<b>388 600</b>

**APPENDIX W4**  
**APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT**  
**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT					National Financial Year		
Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>WESTERN CAPE</b>							
WCRO18	Vaanhynsdorp Raw Water	B WC011	Matzkhama Local Municipality	Matzkhama Local Municipality	4 000	2 500	15 157
WCRO19	Klawer Bulk Water	B WC011	Matzkhama Local Municipality	Matzkhama Local Municipality	2 211	2 500	4 573
WCRO20	Citrusdal Waste Water Treatment Plant	B WC012	Cederberg Local Municipality	Cederberg Local Municipality	13 606	11 800	4 000
WCRO21	Clanwilliam Water Treatment Works	B WC012	Cederberg Local Municipality	Cederberg Local Municipality	20 000	16 170	5 975
WCRO01	Clanwilliam/Lambersbaai Regional Water Supply	C DC1	Cederberg Local Municipality	Cederberg Local Municipality	10 000	16 000	30 000
WCRO04	West Coast Bulk Water Supply		West Coast District Municipality	West Coast District Municipality	49 817	52 970	55 705
<b>Total: West Coast Municipalities</b>							
WCRO03	Tulbagh Bulk Water Supply	B WC022	Witzenberg Local Municipality	Witzenberg Local Municipality	8 331	4 000	13 756
WCRO22	Paarl Bulk Sewer	B WC023	Drakenstein Local Municipality	Drakenstein Local Municipality	30 000	14 228	25 772
WCRO23	Citrusdal Waste Water Treatment Works	B WC024	Stellenbosch Local Municipality	Stellenbosch Local Municipality	18 700	30 000	
WCRO05	Worcester Bulk Water	B WC025	Breede Valley Local Municipality	Breede Valley Local Municipality	61 031	46 728	39 528
<b>Total: Cape Winelands Municipalities</b>							
WCRO09	Grabouw Waste Water Treatment Plant	B WC031	Theewaterskloof Local Municipality	Theewaterskloof Local Municipality	8 500	5 102	
WCRO12	Swellendam Waste Water Treatment Works	B WC034	Swellendam Local Municipality	Swellendam Local Municipality	17 742		
WCRO13	Struisbaai Waste Water Treatment Works	B WC033	Cape Agulhas Local Municipality	Cape Agulhas Local Municipality	5 558		
<b>Total: Overberg Municipalities</b>							
WCRO15	Kamalland Dam Relocation	B WC041	Kamalland Local Municipality	Kamalland Local Municipality	2 500	2 500	5 000
WCRO14	Calitzdorp & Ladismith Waste Water Treatment Works	B WC041	Kamalland Local Municipality	Kamalland Local Municipality	2 000	3 000	3 000
WCRO17	Outdshoorn Groundwater	B WC045	Outdshoorn Local Municipality	Outdshoorn Local Municipality	18 000	20 000	30 000
WCRO16	Bitou Cross Border Bulk	B WC047	Bitou Local Municipality	Knysna/ Bitou Local Municipalities	2 355	2 500	20 000
<b>Total: Eden Municipalities</b>							
WCRO24	Beaufort West Bulk Water	B WC053	Beaufort West Local Municipality	Beaufort West Local Municipality	3 100		
<b>Total: Central Karoo Municipalities</b>							
<b>Total: Western Cape Municipalities</b>					<b>170 603</b>	<b>132 800</b>	<b>153 233</b>
<b>National Total</b>					<b>3 203 397</b>	<b>4 482 896</b>	<b>4 871 654</b>

**APPENDIX W5**

**APPENDIX TO SCHEDULE 5A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES: TARGETS AND ALLOCATIONS  
PER PROVINCIAL DEPARTMENT**

## APPENDIX W5

ANNEXURE TO SCHEDULE 5A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES:  
TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENT

<b>Public Works (Vote 7)</b>	<b>EPWP Integrated Grant to Provinces</b>			
<b>Province/Provincial Department</b>		<b>Financial Year</b>		
	<b>FTE Performance Target</b>	<i>2013/14 (R'000)</i>	<i>2014/15 (R'000)</i>	<i>2015/16 (R'000)</i>
<b>EASTERN CAPE</b>				
Human Settlements	5 249	3 000		
Roads and Public Works	1 213	65 082		
Health	638	3 000		
Education	2 211	3 000		
Economic Development and Environmental Affairs	10	550		
Agriculture and Rural Development	467	550		
Sport, Recreation, Arts and Culture	157	550		
Social Development	-	-		
Transport	3 080	3 845		
<b>Total: Eastern Cape</b>	<b>13 025</b>	<b>79 577</b>	-	-
<b>FREE STATE</b>				
Human Settlements	-	-		
Co-operative Governance and Traditional Affairs	-	-		
Public Works	132	7 102		
Police, Roads and Transport	1 327	3 000		
Education	1 056	3 000		
Health	370	3 249		
Social Development	-	-		
Economic Development, Tourism and Environmental Affairs	10	550		
Sport, Arts, Culture and Recreation	87	550		
Agriculture and Rural Development	305	550		
<b>Total: Free State</b>	<b>3 287</b>	<b>18 001</b>	-	-
<b>GAUTENG</b>				
Local Government and Housing	9 147	3 000		
Education	1 203	3 000		
Health	302	3 000		
Infrastructure Development	56	3 000		
Roads and Transport	1 432	3 000		
Agriculture and Rural Development	124	606		
Community Safety	-	-		
Sport, Arts, Culture and Recreation	-	-		
<b>Total: Gauteng</b>	<b>12 264</b>	<b>15 606</b>	-	-
<b>KWAZULU-NATAL</b>				
Human Settlements	6 668	3 000		
Public Works	56	3 000		
Education	2 825	3 000		
Health	932	3 000		
Transport	4 834	88 487		
Sport & Recreation	213	550		
Economic Development and Tourism	-	-		
Agriculture, Environmental Affairs and Rural Development	436	550		
Arts, Culture and Tourism	10	550		
<b>Total: KwaZulu-Natal</b>	<b>15 974</b>	<b>102 137</b>	-	-
<b>LIMPOPO</b>				
Local Government and Housing	3 392	3 000		
Education	2 132	3 000		
Health	652	3 000		
Public Works	56	3 000		
Roads and Transport	3 015	25 972		
Economic Development, Environment and Tourism	10	550		
Agriculture	624	10 298		
Sport, Arts and Culture	134	550		
<b>Total: Limpopo</b>	<b>10 015</b>	<b>49 370</b>	-	-

## APPENDIX W5

ANNEXURE TO SCHEDULE 5A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES:  
TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENT

Public Works (Vote 7)	EPWP Integrated Grant to Provinces				
	Province/Provincial Department	FTE Performance Target	Financial Year		
			2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>MPUMALANGA</b>					
Public Works, Roads and Transport	3 475	20 691			
Health & Social Development	298	3 000			
Education	1 189	3 000			
Co-operative Governance and Traditional Affairs	-	-			
Agriculture, Rural Development and Land Administration	379	5 619			
Culture, Sports & Recreation	99	550			
Economic Development and Planning	27	1 431			
<b>Total: Mpumalanga</b>	<b>5 467</b>	<b>34 291</b>	-	-	
<b>NORTHERN CAPE</b>					
Roads and Public Works	1 110	3 000			
Health	275	3 000			
Education	785	5 845			
Agriculture and Land reform	798	550			
Arts and Culture	71	550			
Environment and nature conservation	10	550			
Finance, Economic Affairs and Tourism	10	550			
<b>Total: Northern Cape</b>	<b>3 059</b>	<b>14 045</b>	-	-	
<b>NORTH WEST</b>					
Public Works, Roads and Transport	1 635	13 166			
Human Settlements	2 439	3 000			
Economic Development, Environment and Tourism	10	550			
Agriculture and Rural Development	367	550			
<b>Total: North West</b>	<b>4 451</b>	<b>17 266</b>	-	-	
<b>WESTERN CAPE</b>					
Human Settlements	3 973	3 000			
Education	1 005	3 000			
Health	348	3 000			
Culture Affairs and Sport	110	550			
Transport and Public Works	1 309	14 971			
Environmental Affairs and Development Planning	10	550			
Agriculture	230	550			
<b>Total: Western Cape</b>	<b>6 985</b>	<b>25 621</b>	-	-	
Unallocated					
<b>Grand Total</b>	<b>74 527</b>	<b>355 914</b>	-	-	

**APPENDIX W6**

**APPENDIX TO SCHEDULE 5A: BREAKDOWN OF SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES: ALLOCATIONS  
PER PROVINCIAL DEPARTMENT**

## APPENDIX W6

## APPENDIX TO SCHEDULE 5A: BREAKDOWN OF SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES: ALLOCATIONS PER PROVINCIAL DEPARTMENT

Province/Provincial Department	Social Sector Expanded Public Works Programme Incentive Grant for Provinces			
	Number of FTEs to be created from allocations in 2013/14	Financial Year		
		2013/14 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>EASTERN CAPE</b>				
Social Development	354	6 862		
Sport, Recreation, Arts & Culture	67	1 301		
Health	2 147	41 565		
<b>Total: Eastern Cape</b>	<b>2 568</b>	<b>49 728</b>	<b>52 703</b>	<b>55 127</b>
<b>FREE STATE</b>				
Social Development	441	8 545		
<b>Total: Free State</b>	<b>441</b>	<b>8 545</b>	<b>9 056</b>	<b>9 473</b>
<b>GAUTENG</b>				
Education	1 326	25 674		
Sports and Recreation	68	1 333		
Community Safety	33	645		
<b>Total: Gauteng</b>	<b>1 427</b>	<b>27 652</b>	<b>29 306</b>	<b>30 654</b>
<b>KWAZULU-NATAL</b>				
Sports and Recreation	223	4 327		
Social Development	754	14 610		
Community Safety and Liason	277	5 369		
<b>Total: KwaZulu-Natal</b>	<b>1 254</b>	<b>24 306</b>	<b>25 760</b>	<b>26 945</b>
<b>LIMPOPO</b>				
Education	1 434	27 768		
Health	1 083	20 964		
Social Development	464	8 985		
<b>Total: Limpopo</b>	<b>2 981</b>	<b>57 717</b>	<b>61 170</b>	<b>63 983</b>
<b>MPUMALANGA</b>				
Culture, Sports and Recreation	58	1 142		
Safety and Liaison	42	819		
<b>Total: Mpumalanga</b>	<b>100</b>	<b>1 961</b>	<b>2 078</b>	<b>2 174</b>
<b>NORTHERN CAPE</b>				
Social Development	296	5 745		
Education	203	3 932		
Transport, Safety and Liaison	10	196		
Health	491	9 516		
Sports, Arts & Culture	25	490		
<b>Total: Northern Cape</b>	<b>1 025</b>	<b>19 879</b>	<b>21 068</b>	<b>22 037</b>
<b>NORTH WEST</b>				
Health	1 279	24 765		
Social Development, Women, Children and Persons with Disability	849	16 431		
Education	454	8 804		
Sports, Arts & Culture	44	870		
<b>Total: North West</b>	<b>2 626</b>	<b>50 870</b>	<b>53 913</b>	<b>56 393</b>
<b>WESTERN CAPE</b>				
Cultural Affairs and Sport	70	1 366		
Education	635	12 298		
Community Safety	167	3 242		
<b>Total: Western Cape</b>	<b>872</b>	<b>16 906</b>	<b>17 917</b>	<b>18 742</b>
<b>Grand Total</b>	<b>13 294</b>	<b>257 564</b>	<b>272 972</b>	<b>285 528</b>

**APPENDIX W7**

**APPENDIX TO SCHEDULE 5A: BREAKDOWN OF HEALTH FACILITY REVITALISATION GRANT : ALLOCATIONS PER GRANT COMPONENT  
PER PROVINCE**

## APPENDIX W7

**APPENDIX TO SCHEDULE 5A: BREAKDOWN OF HEALTH FACILITY  
REVITALISATION GRANT : ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

<b>Health (Vote 16)</b>	<b>Health Facility Revitalisation</b>		
<b>Province/Components</b>	<b>Financial Year</b>		
	<i>2013/14 (R'000)</i>	<i>2014/15 (R'000)</i>	<i>2015/16 (R'000)</i>
<b>(a) Health infrastructure component</b>			
Eastern Cape	216 816	230 244	251 587
Free State	67 250	73 293	87 877
Gauteng	86 816	97 859	111 043
KwaZulu-Natal	373 969	410 845	430 527
Limpopo	211 961	22 837	36 400
Mpumalanga	58 509	64 385	70 199
Northern Cape	90 154	103 029	108 320
North West	67 863	73 739	79 753
Western Cape	122 296	143 171	150 079
<b>Total</b>	<b>1 295 634</b>	<b>1 219 402</b>	<b>1 325 785</b>
<b>(b) Hospital revitalisation component</b>			
Eastern Cape	336 719	53 251	73 573
Free State	469 470	476 662	499 048
Gauteng	677 371	636 882	628 138
KwaZulu-Natal	560 104	646 132	676 544
Limpopo	230 211	129 266	147 632
Mpumalanga	225 000	249 500	271 507
Northern Cape	331 274	316 543	330 944
North West	428 258	434 982	433 911
Western Cape	493 526	481 079	502 589
<b>Total</b>	<b>3 751 933</b>	<b>3 424 297</b>	<b>3 563 886</b>
<b>(c) Nursing colleges and schools component</b>			
Eastern Cape	9 257	9 435	11 946
Free State	2 242	4 995	2 915
Gauteng	6 846	7 734	8 780
KwaZulu-Natal	28 396	33 454	32 901
Limpopo	15 270	18 570	19 792
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	13 964	20 950	21 914
<b>Total</b>	<b>75 975</b>	<b>95 138</b>	<b>98 248</b>
Unallocated	-	-	-
<b>Grand Total</b>	<b>5 123 542</b>	<b>4 738 837</b>	<b>4 987 919</b>

**APPENDIX W8**

**APPENDIX TO SCHEDULE 6A: BREAKDOWN OF NATIONAL HEALTH GRANT: ALLOCATIONS PER GRANT COMPONENT  
PER PROVINCE**

## APPENDIX W8

**APPENDIX TO SCHEDULE 6A: BREAKDOWN OF NATIONAL HEALTH GRANT:  
ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

<b>Health (Vote 16)</b>	<b>National Health Grant</b>		
<b>Province/Components/Sub-components</b>	<b>Financial Year</b>		
	<i>2013/14 (R'000)</i>	<i>2014/15 (R'000)</i>	<i>2015/16 (R'000)</i>
<b>Health Facility Revitalisation Grant Component</b>	<b>807 025</b>	<b>1 679 862</b>	<b>1 675 952</b>
<i>of which:</i>			
<b>(a) Health infrastructure sub-component</b>			
Eastern Cape	52 000	57 000	57 000
Free State	72 000	67 000	67 000
Gauteng	22 000	12 000	12 000
KwaZulu-Natal	43 000	17 000	17 000
Limpopo	72 000	272 000	272 000
Mpumalanga	57 000	62 000	62 000
Northern Cape	14 000	12 000	12 000
North West	52 000	57 000	57 000
Western Cape	17 000	7 000	7 000
<b>Total</b>	<b>401 000</b>	<b>563 000</b>	<b>563 000</b>
<b>(b) Hospital revitalisation sub-component</b>			
Eastern Cape	72 000	412 000	412 000
Free State	10 000	10 000	10 000
Gauteng	70 000	220 000	220 000
KwaZulu-Natal	15 000	15 000	15 000
Limpopo	80 000	270 000	270 000
Mpumalanga	35 000	35 000	25 000
Northern Cape	20 000	20 000	20 000
North West	20 000	20 000	20 000
Western Cape	10 000	10 000	10 000
<b>Total</b>	<b>332 000</b>	<b>1 012 000</b>	<b>1 002 000</b>
<b>(c) Nursing colleges and schools sub-component</b>			
Eastern Cape	11 000	15 000	15 000
Free State	12 000	15 000	18 000
Gauteng	10 000	15 000	15 000
KwaZulu-Natal	-	-	-
Limpopo	3 000	8 000	8 000
Mpumalanga	14 123	19 100	20 682
Northern Cape	10 816	15 142	15 839
North West	13 086	17 620	18 431
Western Cape	-	-	-
<b>Total</b>	<b>74 025</b>	<b>104 862</b>	<b>110 952</b>
<b>National Health Insurance Grant Component</b>	<b>291 000</b>	<b>420 000</b>	<b>443 803</b>
<i>of which:</i>			
<b>(a) National health insurance sub-component</b>			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	291 000	420 000	443 803
<b>Total</b>	<b>291 000</b>	<b>420 000</b>	<b>443 803</b>
Unallocated	291 000	420 000	443 803
<b>Grand Total</b>	<b>1 098 025</b>	<b>2 099 862</b>	<b>2 119 755</b>





Printed by Creda Communications

ISBN 978-1-4850-0075-4