

REPUBLIC OF SOUTH AFRICA

DIVISION OF REVENUE AMENDMENT BILL

*(As introduced in the National Assembly (proposed section 76); explanatory summary of
Bill published in Government Gazette No. 36948 of 18 October 2013)
(The English text is the official text of the Bill)*

(MINISTER OF FINANCE)

[B 38—2013]

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BILL

To amend the Division of Revenue Act, 2013, in accordance with the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009); 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 the Division of Revenue Act, 2013 (Act No. 2 of 2013), gives effect to section 214(1) of the Constitution in respect of the 2013/14 financial year;

AND WHEREAS section 12(4) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), requires the Minister of Finance to table a division of revenue amendment Bill with a revised fiscal framework if the adjustments budget effects changes to the Division of Revenue Act for the relevant year,

BE IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:—

Substitution of Column A of Schedules 1, 2 and 3, Part A of Schedule 4 and Parts A and B of Schedules 5 and 6 to Act 2 of 2013

1. (1) Column A of Schedule 1 to this Act is hereby substituted for Column A of Schedule 1 to the Division of Revenue Act, 2013 (hereinafter referred to as the principal Act), setting out the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2013/14 financial year. 5

(2) Column A of Schedule 2 to this Act is hereby substituted for Column A of Schedule 2 to the principal Act setting out each province's equitable share of the provincial sphere's share of revenue raised nationally for the 2013/14 financial year. 10

(3) Column A of Schedule 3 to this Act is hereby substituted for Column A of Schedule 3 to the principal Act setting out each municipality's equitable share of the local government sphere's share of revenue raised nationally for the 2013/14 financial year. 15

(4) Column A of Part A of Schedule 4 to this Act is hereby substituted for Column A of Part A of Schedule 4 to the principal Act specifying the allocations to provinces for the 2013/14 financial year to supplement the funding of programmes or functions funded from provincial budgets.

(5) Column A of Parts A and B of Schedule 5 to this Act is hereby substituted for Column A of Parts A and B of Schedule 5 to the principal Act specifying the specific purpose allocations to provinces and municipalities, respectively, for the 2013/14 financial year.

(6) Column A of Parts A and B of Schedule 6 to this Act is hereby substituted for Column A of Parts A and B of Schedule 6 to the principal Act specifying the allocations-in-kind to provinces and municipalities, respectively, for the 2013/14 financial year. 5

Short title

2. This Act is called the Division of Revenue Amendment Act, 2013.

SCHEDULE 1

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

Spheres of Government	Column A		
	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
	R'000	R'000	R'000
National ^{1,2}	676 920 412	(3 058 886)	673 861 526
Provincial	337 572 412	1 364 405	338 936 817
Local	40 581 787	13 223	40 595 010
TOTAL	1 055 074 611	(1 681 258)	1 053 393 353

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		
	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
	R'000	R'000	R'000
Eastern Cape	50 164 506	92 108	50 256 614
Free State	20 000 325	172 751	20 173 076
Gauteng	61 374 917	119 977	61 494 894
KwaZulu-Natal	73 509 972	416 615	73 926 587
Limpopo	41 361 830	124 678	41 486 508
Mpumalanga	27 210 543	149 996	27 360 539
Northern Cape	9 021 508	34 610	9 056 118
North West	22 754 264	156 101	22 910 365
Western Cape	32 174 547	97 569	32 272 116
TOTAL	337 572 412	1 364 405	338 936 817

SCHEDULE 3

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

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
EASTERN CAPE				
A	BUF Buffalo City	653 660		653 660
A	NMA Nelson Mandela Bay	743 325		743 325
B	EC101 Camdeboo	39 006		39 006
B	EC102 Blue Crane Route	40 796		40 796
B	EC103 Ikwezi	16 860		16 860
B	EC104 Makana	69 044		69 044
B	EC105 Ndlambe	59 738		59 738
B	EC106 Sundays River Valley	40 404		40 404
B	EC107 Baviaans	18 694		18 694
B	EC108 Kouga	54 165		54 165
B	EC109 Kou-Kamma	31 384		31 384
C	DC10 Cacadu District Municipality	75 091		75 091
Total: Cacadu Municipalities		445 182		445 182
B	EC121 Mbhashe	136 195		136 195
B	EC122 Mquma	168 933		168 933
B	EC123 Great Kei	34 158		34 158
B	EC124 Amahlathi	96 720		96 720
B	EC126 Ngqushwa	66 451		66 451
B	EC127 Nkonkobe	94 338		94 338
B	EC128 Nxuba	22 307		22 307
C	DC12 Amathole District Municipality	621 631		621 631
Total: Amatole Municipalities		1 240 733		1 240 733
B	EC131 Inxuba Yethemba	40 356		40 356
B	EC132 Tsolwana	27 463		27 463
B	EC133 Inkwanca	19 355		19 355
B	EC134 Lukhanji	112 656		112 656
B	EC135 Intsika Yethu	99 780		99 780
B	EC136 Emalahleni	78 749		78 749
B	EC137 Engcobo	86 604		86 604
B	EC138 Sakhisizwe	42 714		42 714
C	DC13 Chris Hani District Municipality	385 035		385 035
Total: Chris Hani Municipalities		892 712		892 712
B	EC141 Elundini	84 626		84 626
B	EC142 Senqu	98 133		98 133
B	EC143 Maletswai	24 074		24 074
B	EC144 Gariep	25 608		25 608
C	DC14 Joe Gqabi District Municipality	178 958		178 958
Total: Joe Gqabi Municipalities		411 399		411 399
B	EC153 Ngquza Hill	126 980		126 980
B	EC154 Port St Johns	78 040		78 040
B	EC155 Nyandeni	143 347		143 347
B	EC156 Mhlontlo	110 614		110 614
B	EC157 King Sabata Dalindyebo	184 567		184 567
C	DC15 O.R. Tambo District Municipality	493 970		493 970
Total: O.R. Tambo Municipalities		1 137 518		1 137 518
B	EC441 Matatiele	118 249		118 249
B	EC442 Umzimvubu	117 834		117 834
B	EC443 Mbizana	126 027		126 027
B	EC444 Ntabankulu	69 894		69 894
C	DC44 Alfred Nzo District Municipality	319 703		319 703
Total: Alfred Nzo Municipalities		751 707		751 707
Total: Eastern Cape Municipalities		6 276 236		6 276 236

SCHEDULE 3

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

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
FREE STATE				
A	MAN Mangaung	605 072		605 072
B	FS161 Letsemeng	50 434		50 434
B	FS162 Kopanong	85 634		85 634
B	FS163 Mohokare	51 873		51 873
B	FS164 Naledi	38 200		38 200
C	DC16 Xhariep District Municipality	25 535		25 535
Total: Xhariep Municipalities		251 676		251 676
B	FS181 Masilonyana	82 581		82 581
B	FS182 Tokologo	43 518		43 518
B	FS183 Tswelopele	61 909		61 909
B	FS184 Matjhabeng	424 920		424 920
B	FS185 Nala	130 670		130 670
C	DC18 Lejweleputswa District Municipality	100 936		100 936
Total: Lejweleputswa Municipalities		844 534		844 534
B	FS191 Setsoto	165 019		165 019
B	FS192 Dihlabeng	129 734		129 734
B	FS193 Nketoana	78 119		78 119
B	FS194 Maluti-a-Phofung	361 770		361 770
B	FS195 Phumelela	56 906		56 906
B	FS196 Mantsopa	67 071		67 071
C	DC19 Thabo Mofutsanyana District Municipality	81 281		81 281
Total: Thabo Mofutsanyana Municipalities		939 900		939 900
B	FS201 Moqhaka	164 486		164 486
B	FS203 Ngwathe	156 191		156 191
B	FS204 Metsimaholo	101 698		101 698
B	FS205 Mafube	75 544		75 544
C	DC20 Fezile Dabi District Municipality	134 501		134 501
Total: Fezile Dabi Municipalities		632 420		632 420
Total: Free State Municipalities		3 273 602		3 273 602

SCHEDULE 3

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

			National Financial Year		
			Column A		
Number	Municipality		2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
			R'000	R'000	R'000
GAUTENG					
A	EKU	Ekurhuleni	1 917 953		1 917 953
A	JHB	City of Johannesburg	2 293 212		2 293 212
A	TSH	City of Tshwane	1 166 964		1 166 964
B	GT421	Emfuleni	598 857		598 857
B	GT422	Midvaal	54 673		54 673
B	GT423	Lesedi	64 253		64 253
C	DC42	Sedibeng District Municipality	232 785		232 785
Total: Sedibeng Municipalities			950 568		950 568
B	GT481	Mogale City	222 291		222 291
B	GT482	Randfontein	95 880		95 880
B	GT483	Westonaria	104 957		104 957
B	GT484	Merafong City	181 074		181 074
C	DC48	West Rand District Municipality	172 587		172 587
Total: West Rand Municipalities			776 789		776 789
Total: Gauteng Municipalities			7 105 486		7 105 486

SCHEDULE 3

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

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
KWAZULU-NATAL				
A	ETH eThekweni	1 869 806		1 869 806
B	KZN211 Vulamehlo	40 580		40 580
B	KZN212 uMmdoni	33 387		33 387
B	KZN213 Umzumbe	94 545		94 545
B	KZN214 uMuziwabantu	49 397		49 397
B	KZN215 Ezinqoleni	29 480		29 480
B	KZN216 Hibiscus Coast	92 600		92 600
C	DC21 Ugu District Municipality	287 183		287 183
Total: Ugu Municipalities		627 172		627 172
B	KZN221 uMshwathi	61 423		61 423
B	KZN222 uMngeni	37 208		37 208
B	KZN223 Mpofana	23 278		23 278
B	KZN224 Impendle	25 741		25 741
B	KZN225 Msunduzi	354 313		354 313
B	KZN226 Mkhambathini	32 583		32 583
B	KZN227 Richmond	33 881		33 881
C	DC22 Umgungundlovu District Municipality	338 828		338 828
Total: Umgungundlovu Municipalities		907 255		907 255
B	KZN232 Emnambithi/Ladysmith	111 249		111 249
B	KZN233 Indaka	63 187		63 187
B	KZN234 Umtshezi	33 196		33 196
B	KZN235 Okhahlamba	69 121		69 121
B	KZN236 Imbabazane	68 921		68 921
C	DC23 Uthukela District Municipality	269 199		269 199
Total: Uthukela Municipalities		614 873		614 873
B	KZN241 Endumeni	34 084		34 084
B	KZN242 Nquthu	79 597		79 597
B	KZN244 Msinga	81 641		81 641
B	KZN245 Umvoti	49 358		49 358
C	DC24 Umzinyathi District Municipality	192 952		192 952
Total: Umzinyathi Municipalities		437 632		437 632
B	KZN252 Newcastle	276 638		276 638
B	KZN253 Emadlangeni	15 507		15 507
B	KZ254 Dannhauser	52 872		52 872
C	DC25 Amajuba District Municipality	104 535		104 535
Total: Amajuba Municipalities		449 552		449 552

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GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
B	KZN261 eDumbe	40 352		40 352
B	KZN262 uPhongolo	66 389		66 389
B	KZN263 Abaqulusi	85 565		85 565
B	KZN265 Nongoma	81 160		81 160
B	KZN266 Ulundi	87 088		87 088
C	DC26 Zululand District Municipality	276 930		276 930
Total: Zululand Municipalities		637 484		637 484
B	KZN271 Umhlabuyalingana	68 319		68 319
B	KZN272 Jozini	85 485		85 485
B	KZN273 The Big Five False Bay	17 275		17 275
B	KZN274 Hlabisa	30 174		30 174
B	KZN275 Mtubatuba	60 744		60 744
C	DC27 Umkhanyakude District Municipality	196 603		196 603
Total: Umkhanyakude Municipalities		458 600		458 600
B	KZN281 Mfolozi	52 392		52 392
B	KZN282 uMhlathuze	190 384		190 384
B	KZN283 Ntambanana	24 403		24 403
B	KZN284 uMlalazi	91 327		91 327
B	KZN285 Mthonjaneni	27 730		27 730
B	KZN286 Nkandla	57 099		57 099
C	DC28 uThungulu District Municipality	353 909		353 909
Total: Uthungulu Municipalities		797 244		797 244
B	KZN291 Mandeni	74 289		74 289
B	KZN292 KwaDukuza	78 566		78 566
B	KZN293 Ndwedwe	67 373		67 373
B	KZN294 Maphumulo	54 076		54 076
C	DC29 iLembe District Municipality	253 386		253 386
Total: iLembe Municipalities		527 690		527 690
B	KZN431 Ingwe	57 002		57 002
B	KZN432 Kwa Sani	12 846		12 846
B	KZN433 Greater Kokstad	47 950		47 950
B	KZN434 Ubuhlebezwe	57 039		57 039
B	KZN435 Umzimkhulu	96 838		96 838
C	DC43 Sisonke District Municipality	216 056		216 056
Total: Sisonke Municipalities		487 731		487 731
Total: KwaZulu-Natal Municipalities		7 815 039		7 815 039

SCHEDULE 3

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GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY**

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
LIMPOPO				
B	LIM331 Greater Giyani	148 104		148 104
B	LIM332 Greater Letaba	146 418		146 418
B	LIM333 Greater Tzaneen	211 762		211 762
B	LIM334 Ba-Phalaborwa	69 433		69 433
B	LIM335 Maruleng	60 742		60 742
C	DC33 Mopani District Municipality	504 909		504 909
Total: Mopani Municipalities		1 141 368		1 141 368
B	LIM341 Musina	34 393		34 393
B	LIM342 Mutale	51 174		51 174
B	LIM343 Thulamela	290 472		290 472
B	LIM344 Makhado	256 239		256 239
C	DC34 Vhembe District Municipality	524 104		524 104
Total: Vhembe Municipalities		1 156 382		1 156 382
B	LIM351 Blouberg	100 568		100 568
B	LIM352 Aganang	84 880		84 880
B	LIM353 Molemole	80 861		80 861
B	LIM354 Polokwane	415 990		415 990
B	LIM355 Lepelle-Nkumpi	138 190		138 190
C	DC35 Capricorn District Municipality	431 845		431 845
Total: Capricorn Municipalities		1 252 334		1 252 334
B	LIM361 Thabazimbi	60 129		60 129
B	LIM362 Lephalale	83 078		83 078
B	LIM364 Mookgopong	29 014		29 014
B	LIM365 Modimolle	57 283		57 283
B	LIM366 Bela-Bela	48 639	11 310	59 949
B	LIM367 Mogalakwena	267 909		267 909
C	DC36 Waterberg District Municipality	94 609		94 609
Total: Waterberg Municipalities		640 661	11 310	651 971
B	LIM471 Ephraim Mogale	77 149		77 149
B	LIM472 Elias Motsoaledi	143 438		143 438
B	LIM473 Makhuduthamaga	157 863		157 863
B	LIM474 Fetakgomo	52 946		52 946
B	LIM475 Greater Tubatse	148 455		148 455
C	DC47 Sekhukhune District Municipality	406 157		406 157
Total: Sekhukhune Municipalities		986 008		986 008
Total: Limpopo Municipalities		5 176 753	11 310	5 188 063

SCHEDULE 3

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

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
MPUMALANGA				
B	MP301 Albert Luthuli	171 462		171 462
B	MP302 Msukaligwa	108 953		108 953
B	MP303 Mkhondo	110 712		110 712
B	MP304 Pixley Ka Seme	85 631		85 631
B	MP305 Lekwa	81 428		81 428
B	MP306 Dipaleseng	46 059		46 059
B	MP307 Govan Mbeki	191 144		191 144
C	DC30 Gert Sibande District Municipality	259 860		259 860
Total: Gert Sibande Municipalities		1 055 249		1 055 249
B	MP311 Victor Khanye	54 204		54 204
B	MP312 Emalahleni	192 475		192 475
B	MP313 Steve Tshwete	92 630		92 630
B	MP314 Emakhazeni	38 535		38 535
B	MP315 Thembisile Hani	237 008		237 008
B	MP316 Dr JS Moroka	248 190		248 190
C	DC31 Nkangala District Municipality	308 850		308 850
Total: Nkangala Municipalities		1 171 892		1 171 892
B	MP321 Thaba Chweu	81 198		81 198
B	MP322 Mbombela	342 190		342 190
B	MP323 Umjindi	52 284		52 284
B	MP324 Nkomazi	290 822		290 822
B	MP325 Bushbuckridge	485 251		485 251
C	DC32 Ehlanzeni District Municipality	188 227		188 227
Total: Ehlanzeni Municipalities		1 439 972		1 439 972
Total: Mpumalanga Municipalities		3 667 113		3 667 113

SCHEDULE 3

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

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
NORTHERN CAPE				
B	NC061 Richtersveld	12 338		12 338
B	NC062 Nama Khoi	33 821		33 821
B	NC064 Kamiesberg	13 681		13 681
B	NC065 Hantam	20 312		20 312
B	NC066 Karoo Hoogland	13 898		13 898
B	NC067 Khâi-Ma	13 134		13 134
C	DC6 Namakwa District Municipality	33 148		33 148
Total: Namakwa Municipalities		140 332		140 332
B	NC071 Ubuntu	19 400		19 400
B	NC072 Umsobomvu	30 684		30 684
B	NC073 Emthanjeni	34 820		34 820
B	NC074 Kareeberg	13 268		13 268
B	NC075 Renosterberg	15 574		15 574
B	NC076 Thembelihle	15 650		15 650
B	NC077 Siyathemba	21 171		21 171
B	NC078 Siyancuma	36 842		36 842
C	DC7 Pixley Ka Seme District Municipality	29 375		29 375
Total: Pixley Ka Seme Municipalities		216 784		216 784
B	NC081 Mier	11 016		11 016
B	NC082 !Kai !Garib	48 286		48 286
B	NC083 //Khara Hais	53 914		53 914
B	NC084 !Kheis	16 899		16 899
B	NC085 Tsantsabane	26 145		26 145
B	NC086 Kgatelopele	15 302		15 302
C	DC8 Siyanda District Municipality	44 983		44 983
Total: Siyanda Municipalities		216 545		216 545
B	NC091 Sol Plaatje	145 905		145 905
B	NC092 Dikgatlong	48 022		48 022
B	NC093 Magareng	30 294		30 294
B	NC094 Phokwane	67 054		67 054
C	DC9 Frances Baard District Municipality	89 990		89 990
Total: Frances Baard Municipalities		381 265		381 265
B	NC451 Joe Morolong	80 780		80 780
B	NC452 Ga-Segonyana	73 591		73 591
B	NC453 Gamagara	21 203		21 203
C	DC45 John Taolo Gaetsewe District Municipality	58 112		58 112
Total: John Taolo Gaetsewe Municipalities		233 686		233 686
Total: Northern Cape Municipalities		1 188 612		1 188 612

SCHEDULE 3

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

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
NORTH WEST				
B	NW371 Moretele	177 267		177 267
B	NW372 Madibeng	308 470		308 470
B	NW373 Rustenburg	285 427		285 427
B	NW374 Kgetlengrivier	46 026		46 026
B	NW375 Moses Kotane	248 277		248 277
C	DC37 Bojanala Platinum District Municipality	250 823	1 913	252 736
Total: Bojanala Platinum Municipalities		1 316 290	1 913	1 318 203
B	NW381 Ratlou	73 777		73 777
B	NW382 Tswaing	68 209		68 209
B	NW383 Mafikeng	131 186		131 186
B	NW384 Ditsobotla	83 079		83 079
B	NW385 Ramotshere Moiloa	88 637		88 637
C	DC38 Ngaka Modiri Molema District Municipality	426 496		426 496
Total: Ngaka Modiri Molema Municipalities		871 384		871 384
B	NW392 Naledi	34 611		34 611
B	NW393 Mamusa	34 309		34 309
B	NW394 Greater Taung	114 303		114 303
B	NW396 Lekwa-Teemane	30 312		30 312
B	NW397 NW397	73 389		73 389
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	225 666		225 666
Total: Dr Ruth Segomotsi Mompati Municipalities		512 590		512 590
B	NW401 Ventersdorp	49 829		49 829
B	NW402 Tlokwe	92 603		92 603
B	NW403 City of Matlosana	337 085		337 085
B	NW404 Maquassi Hills	81 259		81 259
C	DC40 Dr Kenneth Kaunda District Municipality	155 482		155 482
Total: Dr Kenneth Kaunda Municipalities		716 258		716 258
Total: North West Municipalities		3 416 522	1 913	3 418 435

SCHEDULE 3

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

		National Financial Year		
		Column A		
Number	Municipality	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000
WESTERN CAPE				
A	CPT City of Cape Town	1 243 293		1 243 293
B	WC011 Matzikama	37 874		37 874
B	WC012 Cederberg	28 188		28 188
B	WC013 Bergrivier	24 815		24 815
B	WC014 Saldanha Bay	38 632		38 632
B	WC015 Swartland	32 506		32 506
C	DC1 West Coast District Municipality	72 626		72 626
Total: West Coast Municipalities		234 641		234 641
B	WC022 Witzenberg	49 553		49 553
B	WC023 Drakenstein	75 995		75 995
B	WC024 Stellenbosch	50 157		50 157
B	WC025 Breede Valley	67 964		67 964
B	WC026 Langeberg	53 158		53 158
C	DC2 Cape Winelands District Municipality	209 436		209 436
Total: Cape Winelands Municipalities		506 263		506 263
B	WC031 Theewaterskloof	57 262		57 262
B	WC032 Overstrand	41 949		41 949
B	WC033 Cape Agulhas	18 057		18 057
B	WC034 Swellendam	19 857		19 857
C	DC3 Overberg District Municipality	46 637		46 637
Total: Overberg Municipalities		183 762		183 762
B	WC041 Kannaland	20 051		20 051
B	WC042 Hessequa	28 189		28 189
B	WC043 Mossel Bay	47 196		47 196
B	WC044 George	85 716		85 716
B	WC045 Oudtshoorn	45 958		45 958
B	WC047 Bitou	29 614		29 614
B	WC048 Knysna	35 982		35 982
C	DC4 Eden District Municipality	129 669		129 669
Total: Eden Municipalities		422 375		422 375
B	WC051 Laingsburg	10 224		10 224
B	WC052 Prince Albert	11 661		11 661
B	WC053 Beaufort West	35 567		35 567
C	DC5 Central Karoo District Municipality	14 638		14 638
Total: Central Karoo Municipalities		72 090		72 090
Total: Western Cape Municipalities		2 662 424		2 662 424
National Total		40 581 787	13 223	40 595 010

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		
					2013/14 Main Allocation R'000	Adjustment R'000	2013/14 Adjusted Allocation R'000
Agriculture, Forestry and Fisheries (Vote 26)	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; to address damage to infrastructure caused by floods.	General conditional allocation to provinces	Eastern Cape	219 055	-	219 055
				Free State	140 274	-	140 274
				Gauteng	55 880	-	55 880
				KwaZulu-Natal	202 522	-	202 522
				Limpopo	205 545	2 475	208 020
				Mpumalanga	130 683	303	130 986
				Northern Cape	371 539	-	371 539
				North West	169 663	-	169 663
				Western Cape	104 859	1 517	106 376
				TOTAL	1 600 020	4 295	1 604 315
Basic Education (Vote 15)	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.	General conditional allocation to provinces	Eastern Cape	1 010 870	-	1 010 870
				Free State	468 931	-	468 931
				Gauteng	537 892	-	537 892
				KwaZulu-Natal	1 298 847	7 574	1 306 421
				Limpopo	983 599	163	983 762
				Mpumalanga	531 504	4 866	536 370
				Northern Cape	316 934	-	316 934
				North West	521 622	-	521 622
				Western Cape	960 465	-	960 465
				TOTAL	6 630 664	12 603	6 643 267
Health (Vote 16)	(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	-	188 560
				Free State	138 131	-	138 131
				Gauteng	765 202	-	765 202
				KwaZulu-Natal	276 262	-	276 262
				Limpopo	109 628	-	109 628
				Mpumalanga	89 894	-	89 894
				Northern Cape	72 356	-	72 356
				North West	98 666	-	98 666
				Western Cape	451 667	-	451 667
				TOTAL	2 190 366	-	2 190 366

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		
					2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
Health (Vote 16)	(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	R'000	R'000	R'000
				Free State	743 621	-	743 621
				Gauteng	849 661	-	849 661
				KwaZulu-Natal	3 305 931	-	3 305 931
				Limpopo	1 415 731	-	1 415 731
				Mpumalanga	305 732	-	305 732
				Northern Cape	91 879	-	91 879
				North West	282 618	-	282 618
				Western Cape	224 470	-	224 470
				TOTAL	2 400 714	-	2 400 714
Higher Education and Training (Vote 17)	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	1 395	297 816
				Free State	172 068	814	172 882
				Gauteng	673 887	3 173	677 060
				KwaZulu-Natal	325 736	1 532	327 268
				Limpopo	375 709	1 769	377 478
				Mpumalanga	130 670	617	131 287
				Northern Cape	40 519	191	40 710
				North West	76 232	358	76 590
				Western Cape	351 437	1 660	353 097
				TOTAL	2 442 679	11 509	2 454 188
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 RISFA and the Road Classification and Access Management (RCAM) 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 natural disasters; declared in Government Gazette and as assessed by the National Disaster Management Centre; to improve the state of the coal haulage network.	General conditional allocation to provinces	Eastern Cape	1 102 836	189 554	1 292 390
				Free State	1 130 462	-254 879	875 583
				Gauteng	433 048	222 200	655 248
				KwaZulu-Natal	1 678 920	-155 392	1 523 528
				Limpopo	990 578	219 225	1 209 803
				Mpumalanga	1 487 722	1 671	1 489 393
				Northern Cape	659 484	-147 719	511 765
				North West	639 923	21 982	661 905
				Western Cape	573 237	-55 077	518 160
				TOTAL	8 696 210	41 565	8 737 775
Transport (Vote 37)	(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	183 960	-	183 960
				Free State	203 382	-	203 382
				Gauteng	1 714 344	-	1 714 344
				KwaZulu-Natal	852 325	-	852 325
				Limpopo	274 932	-	274 932
				Mpumalanga	462 926	-	462 926
				Northern Cape	41 390	-	41 390
North West	85 082	-	85 082				
Western Cape	734 180	-	734 180				
TOTAL	4 552 521	-	4 552 521				

SCHEDULE 5A

SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		
					2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
Agriculture, Forestry and Fisheries (Vote 26)	(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	R'000	R'000	R'000
				Free State	43 845	-	43 845
				Gauteng	57 999	-	57 999
				KwaZulu-Natal	17 538	-	17 538
				Limpopo	65 768	-	65 768
				Mpumalanga	43 845	-	43 845
				Northern Cape	43 845	-	43 845
				North West	70 034	-	70 034
				Western Cape	43 845	-	43 845
					51 737	-	51 737
	TOTAL			438 456	-	438 456	
Arts and Culture (Vote 14)	(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	Eastern Cape	15 866	-	15 866
				Free State	8 571	-	8 571
				Gauteng	6 163	-	6 163
				KwaZulu-Natal	18 746	-	18 746
				Limpopo	19 562	-	19 562
				Mpumalanga	10 249	-	10 249
				Northern Cape	12 055	-	12 055
				North West	10 552	-	10 552
				Western Cape	7 233	-	7 233
					TOTAL		
Arts and Culture (Vote 14)	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	Eastern Cape	72 492	-	72 492
				Free State	62 918	-	62 918
				Gauteng	63 470	-	63 470
				KwaZulu-Natal	63 145	-	63 145
				Limpopo	56 528	-	56 528
				Mpumalanga	72 521	-	72 521
				Northern Cape	75 596	-	75 596
				North West	64 058	-	64 058
				Western Cape	67 058	-	67 058
					TOTAL		

SCHEDULE 5A

SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		
					2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
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	R'000	R'000	R'000
				Free State	12 620	-	12 620
				Gauteng	7 573	-	7 573
				KwaZulu-Natal	21 244	-	21 244
				Limpopo	18 509	-	18 509
				Mpumalanga	10 727	4 067	14 794
				Northern Cape	9 675	-	9 675
				North West	3 577	-	3 577
				Western Cape	11 147	-	11 147
				TOTAL	105 168	4 067	109 235
	(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	-	34 895
				Free State	12 135	-	12 135
				Gauteng	30 012	-	30 012
				KwaZulu-Natal	48 634	-	48 634
				Limpopo	30 852	-	30 852
				Mpumalanga	18 015	-	18 015
				Northern Cape	5 205	-	5 205
				North West	16 122	-	16 122
				Western Cape	17 637	-	17 637
				TOTAL	213 507	-	213 507
	(c) National School Nutrition Programme Grant	To provide nutritious meals to targeted learners.	Conditional allocation	Eastern Cape	949 162	-	949 162
				Free State	274 552	-	274 552
				Gauteng	585 157	-	585 157
				KwaZulu-Natal	1 206 190	-	1 206 190
				Limpopo	932 050	-	932 050
				Mpumalanga	496 661	-	496 661
				Northern Cape	119 859	-	119 859
				North West	348 912	-	348 912
				Western Cape	260 538	-	260 538
				TOTAL	5 173 081	-	5 173 081

SCHEDULE 5A

SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		
					2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
Basic Education (Vote 15)	(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		31 648
				Gauteng	20 963		20 963
				KwaZulu-Natal	26 375		26 375
				Limpopo	42 717	10 680	42 717
				Mpumalanga	28 169		38 849
				Northern Cape	27 058		27 058
				North West	13 188		13 188
				Western Cape	18 850		18 850
					11 884		11 884
	TOTAL			220 852	10 680	231 532	
Health (Vote 16)	(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	1 273 296	-	1 273 296
				Free State	742 984	-	742 984
				Gauteng	2 258 483	-	2 258 483
				KwaZulu-Natal	2 652 072	-	2 652 072
				Limpopo	861 143	-	861 143
				Mpumalanga	690 591	-	690 591
				Northern Cape	302 468	-	302 468
				North West	825 302	-	825 302
				Western Cape	927 547	-	927 547
					TOTAL		
	(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; to address damage to infrastructure caused by floods.	Conditional allocation	Eastern Cape	562 792	-	562 792
				Free State	538 962	-	538 962
				Gauteng	771 033	-	771 033
				KwaZulu-Natal	962 469	110 062	1 072 531
				Limpopo	457 442	-	457 442
				Mpumalanga	283 509	212	283 721
				Northern Cape	421 428	57 000	478 428
				North West	496 121	-	496 121
				Western Cape	629 786	-	629 786
					TOTAL		

SCHEDULE 5A

SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		
					2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
Health (Vote 16)	(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	R'000	R'000	R'000
				Free State	4 850	-	4 850
				Gauteng	4 850	-	4 850
				KwaZulu-Natal	9 700	-	9 700
				Limpopo	4 850	-	4 850
				Mpumalanga	4 850	-	4 850
				Northern Cape	4 850	-	4 850
				North West	4 850	-	4 850
				Western Cape	4 850	-	4 850
				TOTAL	48 500	-	48 500
Human Settlements (Vote 31)	Human Settlements Development Grant	To provide funding for the creation of sustainable human settlements; to address damage to infrastructure caused by floods	Conditional allocation	Eastern Cape	2 523 803	-	2 523 803
				Free State	1 120 936	-	1 120 936
				Gauteng	4 108 399	-	4 108 399
				KwaZulu-Natal	3 235 428	40 156	3 275 584
				Limpopo	1 324 742	1 368	1 326 110
				Mpumalanga	1 124 332	1 764	1 126 096
				Northern Cape	395 724	-	395 724
				North West	1 224 537	-	1 224 537
				Western Cape	1 925 971	1 166	1 927 137
				TOTAL	16 983 872	44 454	17 028 326
Public Works (Vote 7)	(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	-	79 577
				Free State	18 001	-	18 001
				Gauteng	15 606	-	15 606
				KwaZulu-Natal	102 137	-	102 137
				Limpopo	49 370	-	49 370
				Mpumalanga	34 291	-	34 291
				Northern Cape	14 045	1 000	15 045
				North West	17 266	-	17 266
				Western Cape	25 621	-	25 621
				TOTAL	355 914	1 000	356 914

SCHEDULE 5A

SPECIFIC-PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		
					2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
Public Works (Vote 7)	(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	R'000	R'000	R'000
				Free State	49 728	-	49 728
				Gauteng	8 545	-	8 545
				KwaZulu-Natal	27 652	-	27 652
				Limpopo	24 306	-	24 306
				Mpumalanga	57 717	-	57 717
				Northern Cape	1 961	-	1 961
				North West	19 879	-	19 879
				Western Cape	50 870	-	50 870
				TOTAL	257 564	-	257 564
Sport and Recreation South Africa (Vote 20)	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	-	61 334
				Free State	38 832	-	38 832
				Gauteng	88 269	-	88 269
				KwaZulu-Natal	79 883	-	79 883
				Limpopo	56 529	-	56 529
				Mpumalanga	44 772	-	44 772
				Northern Cape	30 806	-	30 806
				North West	41 596	-	41 596
				Western Cape	55 570	-	55 570
				TOTAL	497 591	-	497 591

SCHEDULE 5B
SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A		
			2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
			R'000	R'000	R'000
RECURRENT GRANTS					
Cooperative Governance and Traditional Affairs (Vote 3)	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		240 307
	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	600	611 274
National Treasury (Vote 10)	(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		98 500
	(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		424 798
	(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		40 000
Sport and Recreation South Africa (Vote 20)	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		120 000
	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		180 722
Transport (Vote 37)	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		881 305
Water Affairs (Vote 38)	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		420 945
TOTAL			3 017 251	600	3 017 851

SCHEDULE 5B
SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A		
			2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
			R'000	R'000	R'000
INFRASTRUCTURE GRANTS					
Cooperative Governance and Traditional Affairs (Vote 3)	Municipal Disaster Recovery Grant	To rehabilitate and reconstruct municipal infrastructure damage caused by disasters.		118 340	118 340
	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	2 471	14 354 531
Energy (Vote 29)	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		1 634 772
National Treasury (Vote 10)	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		598 041
Human Settlements (Vote 31)	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		106 721
Transport (Vote 37)	(a) Public Transport Infrastructure Grant	To provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.	4 668 676		4 668 676
	(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		52 205
Water Affairs (Vote 38)	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		602 965
TOTAL			22 015 440	120 811	22 017 911

SCHEDULE 6A

ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Province	Column A		
				2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
Basic Education (Vote 15)	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'000 824 085
			Free State	717 299	-	717 299
			Gauteng	13 060	-	13 060
			KwaZulu-Natal	224 433	-	224 433
			Limpopo	71 267	-	71 267
			Mpumalanga	64 104	-	64 104
			Northern Cape	25 189	-	25 189
			North West	16 544	-	16 544
			Western Cape	-	-	-
			TOTAL	1 955 981	-	1 955 981
Health (Vote 16)	(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	-	1 687	1 687
			Gauteng	-	-	-
			KwaZulu-Natal	-	-	-
			Limpopo	-	1 313	1 313
			Mpumalanga	-	-	-
			Northern Cape	-	-	-
			North West	-	-	-
			Western Cape	-	3 000	3 000
			Unallocated	6 000	(6 000)	-
TOTAL	6 000	-	6 000			
	(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	(72 700)	62 300
			Free State	94 000	(54 200)	39 800
			Gauteng	102 000	(56 495)	45 505
			KwaZulu-Natal	58 000	-	58 000
			Limpopo	155 000	(84 700)	70 300
			Mpumalanga	106 123	(58 762)	47 361
			Northern Cape	44 816	(8 400)	36 416
			North West	85 086	(16 543)	68 543
			Western Cape	27 000	(15 200)	11 800
			Unallocated	291 000	-	291 000
TOTAL	1 098 025	(367 000)	731 025			

SCHEDULE 6B

ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A		
			2013/14 Main Allocation R'000	Adjustment R'000	2013/14 Adjusted Allocation R'000
Energy (Vote 29)	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		2 141 027
Human Settlements (Vote 31)	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.		100 539	100 539
National Treasury (Vote 10)	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		55 000
Water Affairs (Vote 38)	(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		138 894
	(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	58 000	3 261 397
		TOTAL	5 538 318	158 539	5 696 857

**MEMORANDUM ON THE OBJECTS OF THE DIVISION OF
REVENUE AMENDMENT BILL, 2013**

1. BACKGROUND

- 1.1 Section 214(1) of the Constitution of the Republic of South Africa, 1996, requires that an Act of Parliament be enacted 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.
- 1.2 Section 12(4) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), requires the Minister of Finance to table a division of revenue amendment bill with a revised fiscal framework if the adjustments budget effects changes to the Division of Revenue Act for the relevant year. As the adjustments budget for 2013 effects changes to the Division of Revenue Act, 2013 (Act No. 2 of 2013) ("the DoRA"), it is necessary for the Division of Revenue Amendment Bill, 2013 ("the Bill"), to be tabled with the adjustments budget.
- 1.3 The Bill is thus introduced in compliance with the requirements of the Constitution and the Money Bills Amendment Procedure and Related Matters Act, 2009.

2. SUMMARY OF BILL

- 2.1 Clause 1 of the Bill proposes the replacement in the DoRA of Column A of—
- (i) Schedules 1, 2 and 3;
 - (ii) Part A of Schedule 4; and
 - (iii) Parts A and B of Schedules 5 and 6.
- Column A specifies the allocations for the 2013/14 financial year. Amendments to allocations are indicated in Column A by indicating the adjustment and the adjusted amount. The Schedules to the Bill address the following matters:
- (a) Additional unconditional and conditional allocations to provinces and municipalities;
 - (b) the allocation of unallocated conditional allocations to provinces and municipalities;
 - (c) the re-allocation of conditional allocations in terms of section 19 of the DoRA;
 - (d) roll-overs of conditional allocations to provinces and municipalities not transferred by national departments during the 2012/13 financial year; and
 - (e) increases to a conditional allocation to a province or municipality through a virement under section 43 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), or section 28(2)(d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), as the case may be.
- 2.2 Clause 2 of the Bill provides for the short title.

3. ORGANISATIONS AND INSTITUTIONS CONSULTED

The following institutions were consulted on the adjustments proposed in the Bill:

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

4. FINANCIAL IMPLICATIONS TO THE STATE

This Bill is necessitated by the proposed national adjustment budget for the 2013/14 financial year which affects the division of revenue between the three spheres of government. 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, in conjunction with the DoRA, 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 envisaged by section 76(1) of the Constitution, as it provides for legislation envisaged in Chapter 13 of the Constitution and as 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 customs of traditional communities.

DIVISION OF REVENUE ATTACHMENTS

	<i>Page</i>
1. Explanatory Memorandum to the Division of Revenue Amendment	29
2. Annexure 1: Frameworks for Conditional Grants to Provinces	40
3. Annexure 2: Frameworks for Conditional Grants to Municipalities	58
4. Annexure 3: Specific Purpose Allocations to Municipalities (Schedules 5B): Current Grants	67
5. Annexure 4: Infrastructure Grant Allocations to Municipalities (Schedule 5B)	70
6. Annexure 5: Allocations-In-Kind to Municipalities (Schedule 6B) .	73
7. Appendix 1: Breakdown of EPWP Integrated Grant for Provinces: Targets and Allocations per Provincial Department	80
8. Appendix 2: Breakdown of Health Facility Revitalisation Grant: Allocation per Grant Component per Province	83
9. Appendix 3: Breakdown of National Health Grant: Allocations per Grant Component per Province	85

**EXPLANATORY MEMORANDUM TO
THE DIVISION OF REVENUE
AMENDMENT**

Explanatory memorandum to the division of revenue amendment bill

■ Background

The allocation of resources to the three spheres of government is a critical step in the budget process, required before national government, the nine provinces and 278 municipalities can determine their own budgets. The allocation process takes into account the powers and functions assigned to the three spheres of government. The process for making this decision is at the heart of cooperative governance as envisaged in the Constitution. To foster transparency and ensure smooth intergovernmental relations, section 214(1) of the Constitution requires that every year a Division of Revenue Act determine the equitable division of nationally raised revenue between the three spheres of government. The Intergovernmental Fiscal Relations Act (1997) prescribes the process for determining the equitable sharing and allocation of revenue raised nationally.

This explanatory memorandum to the Division of Revenue Amendment Bill, 2013, (“the Bill”) fulfills the requirement set out in section 12(4) of the Money Bills Amendment Procedure and Related Matters Act, (Act No. 9 of 2009), that the Minister of Finance must table a division of revenue amendment bill with the revised fiscal framework if the adjustments budget effects changes to the Division of Revenue Act for the relevant year. Section 10(5) of the Intergovernmental Fiscal Relations Act requires that the Division of Revenue Bill must be accompanied by an explanatory memorandum detailing how the Bill takes account of the matters listed in sections 214(2)(a) to (j) of the Constitution; government’s response to the recommendations of the Financial and Fiscal Commission (FFC); and any assumptions and formulae used in arriving at the respective divisions among provinces and municipalities. As the FFC’s recommendations are specific to the main budget and none of the formulae used in the Division of Revenue Act, 2013, have been changed, this explanatory memorandum only contains three parts:

- Part 1 describes the factors that inform the division of resources between the three spheres of government.
- Part 2 describes the proposed amendments to the Division of Revenue Act, 2013 and their impact on the different spheres of government.
- Part 3 describes changes to the frameworks and detailed allocations per province and municipality that have been gazetted in terms of section 15(1) of the Division of Revenue Act, 2013. These changes are submitted to parliament for consideration as envisaged in section 15(2) of the Division of Revenue Act, 2013.

The Division of Revenue Amendment Bill and its underlying allocations are the culmination of extensive consultation processes between national, provincial and local government. The Budget Council and Budget Forum deliberated on the matters discussed in this memorandum. The approach to local government allocations have been discussed with organised local government (South African Local Government Association) at technical meetings, culminating in a meeting of the Budget Forum.

■ Part 1: Constitutional considerations

Section 214 of the Constitution requires that the annual Division of Revenue Act be enacted only after taking account of factors in sub-sections (2)(a) to (j) of the Constitution. These include the national interest; provision for debt; the needs of national government and emergencies; the allocation of resources to provide basic services and meet developmental needs, fiscal capacity and efficiency of the provincial and local spheres; the reduction of economic disparities; and the promotion of stability and predictability. Annexure W1 to the 2013 Division of Revenue Bill outlined in detail how these considerations were taken into account in the 2013 Division of Revenue. None of the adjustments in this Bill alter the constitutional considerations that informed the 2013 Division of Revenue.

■ Part 2: Summary of changes in the Division of Revenue Amendment Bill, 2013

An adjustments budget provides for unforeseen and unavoidable expenditure; appropriation of monies already announced during the tabling of the annual budget (but not allocated at that stage); the shifting of funds between and within votes where a function is transferred; the utilisation of savings; and the roll-over of unspent funds from the preceding financial year. If the adjustments budget effects changes to the division of revenue as contained in the Division of Revenue Act for the relevant year the Minister of Finance must table a Division of Revenue Amendment Bill with the revised framework. There are amendments to the 2013 Budget that affect the Division of Revenue Act, 2013 which will be effected through the Division of Revenue Amendment Act, 2013, once enacted. The amendments as they impact on provinces and municipalities are discussed in detail below.

■ Changes to provincial allocations

Improved conditions of service

The provincial equitable share is adjusted upwards by R563.8 million to provide for higher than budgeted wage costs. The cost of wage increases in 2013/14 is higher than the costs provided for in the 2013 Budget as a result of higher than anticipated inflation. This addition is shared between provinces in proportion to their shares of personnel numbers as at 31 March 2013. The adjustments per province for improvements in conditions of service (ICS) and the adjusted provincial equitable share per province is shown in schedule 2 to the Bill.

A circular in December 2012 from the Department of Public Service and Administration provided for the re-grading of several clerical positions. Implementing the re-grading has significant cost implications for provinces, particularly in the health and education sectors. Additions of R690.8 million are made to the provincial equitable share to assist provinces with the cost of upgrading clerical positions. Funds are allocated among provinces based on data for the number of clerks in each province. These additions form part of the adjustment in schedule 2 of the Bill.

Table 2.1 Additions to PES for ICS adjustments and re-grading of clerical workers, 2013/14

R Thousand	ICS added to PES	Re-grading of clerical workers added to PES	Total
Eastern Cape	86 450	5 658	92 108
Free State	37 177	98 834	136 011
Gauteng	96 336	23 641	119 977
KwaZulu-Natal	119 942	296 673	416 615
Limpopo	76 187	48 491	124 678
Mpumalanga	44 227	77 219	121 446
Northern Cape	14 531	20 079	34 610
North West	36 850	119 251	156 101
Western Cape	52 106	963	53 069
Total	563 806	690 809	1 254 615

1. provincial equitable share (PES)

2. improved conditions of service (ICS)

The further education and training (FET) colleges grant is adjusted by R11.5 million for the higher than budgeted wage increases. These funds are allocated for the same purpose as the adjustments to the provincial equitable share explained above and are shared between provinces in proportion to their share of personnel in FET colleges. The adjustments per province for ICS in FET Colleges and the adjusted baselines per province are shown in schedule 4A to the Bill.

Table 2.2 Additions to FET colleges grant, 2013/14

R Thousand	ICS for FET Colleges grant
Eastern Cape	1 395
Free State	814
Gauteng	3 173
KwaZulu-Natal	1 532
Limpopo	1 769
Mpumalanga	617
Northern Cape	191
North West	358
Western Cape	1 660
Total	11 509

1. Further Education and Training (FET)

Roll-overs

When a department does not spend all of the funds allocated to it in a financial year, the remaining funds are returned to the National Revenue Fund. If departments had already committed these funds (or a part thereof) to be spent, then they can apply for the funds to be returned to them so that they can meet that commitment. The return of these funds is called a roll-over. The roll-over of national funds not yet transferred to provinces in 2012/13 is included in the Division of Revenue Amendment Bill, 2013.

A roll-over of R109.3 million was approved on the provincial equitable share for funds allocated to the *devolution of property rate funds grant* that were allocated but not transferred to provinces in 2012/13. The affected provinces are Western Cape, Mpumalanga and Free State with the provinces receiving R44.5 million, R28.2 million and R36.6 million respectively. As this grant has been phased-out and incorporated into the provincial equitable share over the

2013 MTEF, these funds are added to the equitable share transfer for each province. This adjustment forms part of the changes in schedule 2 of the Bill.

Roll-overs for two Basic Education grants are made as a result of funds committed to projects in the 2012/13 financial year. The *dinaledi schools grant* receives a roll-over of R4.0 million. This grant focuses on improvements in the participation and performance of learners in mathematics and physical science in line with the National Strategy for Mathematics. The *technical secondary schools recapitalisation grant* receives a roll-over of R10.6 million. This grant funds the improvement of conditions in technical schools to meet the teaching requirements of learners in technical fields. These adjustments are reflected in schedule 5A of the Bill.

Virement

R1 million is added to the *expanded public works programme integrated grant for provinces* for the Department of Economic Development in the Northern Cape. This provincial department should have received these funds in 2012/13 based on their past performance in creating employment, but a problem with the electronic payment system resulted in a delay in transfer and funds were not transferred before the end of the financial year. This addition is funded through the virement of funds on the vote of the national Department of Public Works. The adjustment forms part of the changes in schedule 5A of the Bill.

Reimbursements

The President appointed an Inter-Ministerial Committee (IMC) to coordinate and lead all support activities to families and relatives of the deceased and injured who were admitted to hospitals following the tragedy at Marikana in August 2012. In line with the IMC directive, national government undertook to reimburse provinces for funeral costs incurred for those killed in the tragedy. As a result, an amount of R0.4 million will be added to the provincial equitable share for the Free State and Mpumalanga provinces. This adjustment forms part of the changes in schedule 2 of the Bill.

Provincial roads maintenance grant

A new formula for allocating the *provincial roads maintenance grant* was used to determine allocations in the Division of Revenue Act, 2013. The new formula is based on provincial road networks, road traffic and weather conditions. These factors reflect the different costs of maintaining road networks in each province. The introduction of this new formula led to large changes in the allocations to provinces, some of whom could no longer fund all of their planned expenditure for 2013/14 that had been based on the forward estimates for the grant contained in the Division of Revenue Act, 2012. National Treasury, the national Department of Transport and provinces agreed to revise the allocations for this grant so that instead of implementing the new formula immediately in 2013/14, it will be phased-in over the three years of the 2013 MTEF. As a result, allocations for 2013/14 are revised in the Division of Revenue Amendment Bill, 2013 to reduce the scale of both increases and decreases to allocations in 2013/14, and taking into account the ability of provinces to spend the funds during this financial year. Details of how the phase-in will affect the allocation to each province over the rest of the 2013 MTEF have been communicated to provinces through supplementary allocation letters; this will facilitate planning for 2014/15. The adjustments to the *provincial roads maintenance grant* are presented in schedule 4A to the Bill.

Table 2.3 Provincial Roads Maintenance Grant, 2013/14

	2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
R Thousand			
Eastern Cape	1 102 836	189 554	1 292 390
Free State	1 130 462	-254 879	875 583
Gauteng	433 048	222 200	655 248
KwaZulu-Natal	1 678 920	-157 007	1 521 913
Limpopo	990 578	214 763	1 205 341
Mpumalanga	1 487 722	-16 644	1 471 078
Northern Cape	659 484	-147 719	511 765
North West	639 923	21 982	661 905
Western Cape	573 237	-72 250	500 987
Total	8 696 210	-	8 696 210

Rescheduling of national health grant funds

The *national health grant* was created in the Division of Revenue Act, 2013 as an allocation-in-kind, or indirect grant, through which the national department spends funds on behalf of provinces. Following a lack of spending on the *health facility revitalisation* component of this grant, which funds the construction of health infrastructure, R200 million is being declared as savings in the 2013 Adjustment Budget. Within the remaining grant, R167 million will be converted to a direct grant to KwaZulu-Natal and Northern Cape provinces and transferred as part of their *health facility revitalisation grant* allocations. These adjustments form part of the changes in schedules 5A and 6A of the Bill.

2014 African Nations Championship host provinces

South Africa will host the 2014 African Nations Championship football tournament in January 2014. R6 million was made available to support host provinces to provide emergency medical services for the tournament. These funds are allocated to a schedule 6A grant as an allocation-in-kind through which the national department will pay suppliers on behalf of the host provinces. At the time the Division of Revenue Act, 2013 was tabled not all of the host cities and provinces had been confirmed and so the *2014 African Nations Championship health and medical services grant* remained unallocated. In the Division of Revenue Amendment Bill, 2013, the funds are allocated among the following host provinces: Free State, Limpopo and Western Cape. This adjustment forms part of the changes in schedule 6A of the Bill.

Table 2.4 2014 African Nations Championship health and medical services grant, 2013/14

	2013/14
R Thousand	
Eastern Cape	-
Free State	1 687
Gauteng	-
KwaZulu-Natal	-
Limpopo	1 313
Mpumalanga	-
Northern Cape	-
North West	-
Western Cape	3 000
Total	6 000

Disaster allocations

A number of disasters occurred in 2012 and 2013 that damaged provincial infrastructure. Funding for the repair and replacement of damaged infrastructure will be allocated through the Division of Revenue Amendment Bill, 2013 for affected provinces. A total of R103.2 million will be added to the following provincial sector grants for the repair or replacement of infrastructure in each sector: *provincial roads maintenance grant, human settlements development grant, comprehensive agricultural support programme grant, education infrastructure grant* and the *health facility revitalisation grant*. These adjustments form part of the changes in schedules 4A and 5A of the Bill.

Table 2.5 Disaster allocations for Provinces, 2013/14

R Thousand	2013/14
Comprehensive agricultural support programme grant	4 295
Limpopo	2 475
Mpumalanga	303
Western Cape	1 517
Education infrastructure grant	12 603
KwaZulu-Natal	7 574
Limpopo	163
Mpumalanga	4866
Health facility revitalisation grant	274
KwaZulu-Natal	62
Mpumalanga	212
Provincial roads maintenance grant	41 565
KwaZulu-Natal	1 615
Limpopo	4 462
Mpumalanga	18 315
Western Cape	17 173
Human settlements development grant	44 454
KwaZulu-Natal	40 156
Limpopo	1 368
Mpumalanga	1 764
Western Cape	1 166
Total	103 191

■ Changes to local government allocations

Roll-overs

Roll-overs of R2.4 million for the *municipal infrastructure grant* and R11.3 million for the local government equitable share have been approved for the Bela-Bela Local Municipality. These funds were not transferred to the municipality during 2012/13 as all transfers to the municipality had been stopped in terms of National Treasury's responsibility to enforce compliance with treasury norms and standards as set out in section 216 of the Constitution. The municipality has shown substantial progress in complying with treasury norms and standards and is eligible to receive transfers again and accordingly the funds that the municipality would

have received in 2012/13 have been rolled-over and will be transferred to the municipality. These adjustments form part of the changes in schedules 3 and 5B of the Bill.

A roll-over of R58 million has been approved on the *regional bulk infrastructure grant* for projects in five municipalities where funds were committed but had not yet been paid at the end of the 2012/13 financial year. Most of these delays in spending were the result of delays in importing materials and equipment needed for projects. This grant supplements the financing of the social component of regional bulk water and sanitation infrastructure. It targets projects that cut across several municipalities or are large bulk projects within one municipality. The grant also supplements regional bulk collection and wastewater treatment works. This adjustment forms part of the changes in schedule 6B of the Bill.

A roll-over of R100.5 million has been approved on the *rural households infrastructure grant*. This grant funds the provision of on-site solutions for water and sanitation services for rural households where piped infrastructure is not feasible. The grant became a direct grant to municipalities in 2013/14, having previously been an allocation-in-kind through which the Department of Human Settlements provided on-site infrastructure in rural areas. From 2013/14, funds are transferred directly to municipalities for these projects. This will allow municipalities to manage community consultation processes and align funding with the responsibility for ensuring the infrastructure is maintained, providing a much greater incentive for maintenance planning to be included in projects from the beginning. As the roll-over is for funds allocated to the grant in 2012/13, it is a roll-over of funds in the previous allocation-in-kind grant, the schedule 6B (allocation-in-kind) *rural households infrastructure grant* is added to the Division of Revenue Amendment Bill, 2013 to provide for this roll-over.

Virement

R0.6 million is added to the *expanded public works programme integrated grant for municipalities* for Naledi municipality in the Free State. This municipality should have received these funds in 2012/13 based on their past performance in creating employment, but a problem with the electronic payment system resulted in a delay in the transfer and funds were not transferred before the end of the financial year. This addition is funded through the virement of funds on the vote of the national Department of Public Works. The adjustment forms part of the changes in schedule 5B of the Bill.

Reimbursements

The President appointed an Inter-Ministerial Committee (IMC) to coordinate and lead all support activities to families and relatives of the deceased and injured who were admitted to hospitals following the tragedy at Marikana in August 2012. In line with the IMC directive, national government undertook to reimburse municipalities for funeral costs incurred for those killed in the tragedy. As a result, an amount of R1.9 million will be added to the local government equitable share transfer to Bojanala District Municipality for the 2013/14 financial year. This adjustment forms part of the changes in schedule 3 of the Bill.

Disaster allocations

A number of disasters have occurred in the Western Cape, Eastern Cape, Limpopo and KwaZulu-Natal that resulted in significant damage to municipal infrastructure. Funds for the repair and replacement of damaged municipal infrastructure are allocated for affected municipalities. The funds will be allocated through a new *municipal disaster recovery grant* transferred by the Department of Cooperative Governance. This new grant is included in schedule 5B of the Bill. The total value of the grant in 2013/14 is R118.3 million and it is allocated to individual municipalities as follows:

Table 2.6 Municipal Disaster Recovery Grant, 2013/14

R Thousand	2013/14
Eastern Cape municipalities	111 350
Nelson Mandela Bay	71 961
Ndlambe	15 353
Kouga	4 477
Koukama	8 439
Makana	8 724
Sundays River Valley	2 396
Western Cape municipalities	6 688
Langeberg	104
Eden District	6 584
Limpopo municipality	264
Maruleng	264
KwaZulu-Natal municipality	38
Umvoti	38
Total	118 340

■ Part 3: Changes to gazetted frameworks and allocations

Together with the tabling of the Division of Revenue Amendment Bill, National Treasury also submits to parliament proposed changes to gazetted conditional grant frameworks and allocations. Section 15(2) of the Division of Revenue Act, 2013, requires National Treasury to consult parliament on any proposed changes to a conditional grant framework for the purposes of correcting an error or omission.

The proposed changes to provincial and local government conditional grants are described below and the revised frameworks and detailed allocations are included in the annexures and appendices to the Division of Revenue Amendment Bill, 2013. While these changes do not form part of the Bill, parliament is requested to consider them in terms of the process set out in Section 15(2) of the Division of Revenue Act, 2013.

■ Changes for provincial government

Changes to frameworks

The addition of disaster recovery allocations to a number of provincial conditional grants requires the addition of conditions to the respective grant frameworks to ensure that these funds are spent appropriately. The affected conditional grants are: *human settlements development grant, education infrastructure grant, comprehensive agricultural support programme grant, provincial roads maintenance grant and health facility revitalisation grant*. The conditional grant frameworks for these grants will be amended and regazetted to include the following conditions:

- (a) Business plans for the allocated disaster funds in line with the post disaster verification assessment reports must be submitted to the National Disaster Management Centre (NDMC).
- (b) Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans.

- (c) Quarterly reports on the expenditure of disaster funds must be submitted to the NDMC.
- (d) The amount per province that can only be used for disaster recovery is stipulated.

Education infrastructure grant

Changes to the *education infrastructure grant* framework are included to align it with preparations for the next financial year and 2015/16 financial year as set out in section 26(4) of the Division of Revenue Act, 2013. These changes correct the misalignment between this grant framework and the new requirements introduced in the Division of Revenue Act, 2013, that provinces begin submitting plans for health and education infrastructure projects two years in advance of receiving allocations. These new requirements are intended to improve the rollout of provincial infrastructure by requiring better planning in provinces.

Changes to allocations

The changes relating to the *national health grant* to provide for savings and the conversion of a portion to a direct grant have been discussed above. The gazette provides detail of the revised allocation per province for each of the grant components. The addition of disaster funding to the *health facility revitalisation grant* similarly requires the regazetting of the detailed allocations per province for each component of the grant.

■ Changes for local government

Changes to frameworks

The *public transport network operations grant* was introduced in 2013/14 to provide cities operating systems built through the *public transport infrastructure grant* with an identifiable and separate source of operating subsidies that they could use in their planning and budgeting. One error and one omission in the framework will be corrected:

- (a) Insurance is added to the list of indirect operating expenses that can be funded from the grant.
- (b) An incorrect reference to funding from the *public transport network operating grant* will be corrected to reflect the possibility that funds from the *public transport operations grant* (a grant to provinces) could be transferred to cities to support their bus services.

Two corrections are proposed to the framework for the *municipal water infrastructure grant* that was introduced in 2013/14 to accelerate the delivery of clean water to households that do not have access.

- (a) The first correction is needed to align the grant requirements with the Municipal Financial Management Act's regulations on supply chain management. In terms of these regulations the Department of Water Affairs (DWA) cannot sit on the adjudication panel for a municipal tender and so a condition requiring this is changed to require that DWA may request to be invited to participate on the bid specification and bid evaluation panels.
- (b) The second correction changes the requirement that DWA must approve the detailed designs of interventions and requires instead that DWA approves the technical reports and business plans for each project. This retains the requirement that DWA verifies that appropriate technologies are chosen for each project, but corrects the impractical condition that DWA approve the detailed design for each scheme.

The roll-over of funds for the *rural households infrastructure grant* indirect allocation means that changes are required to the framework for the grant to include allocations and conditions for the indirect portion of the grant. The current framework has conditions applicable only to a

direct grant and so requirements that indirect projects be implemented in terms of a service level agreement with municipalities are added.

New framework for municipal disaster recovery grant

The *municipal disaster recovery grant* is a new grant earmarked for the repair and replacement of damaged infrastructure. The main purpose and ultimate goal of this grant is to rehabilitate and reconstruct municipal infrastructure damaged by disasters. Given that the grant framework was not tabled in February 2013 Division of Revenue, it is proposed that the new grant be added to the Division of Revenue Amendment Bill, 2013.

Allocating unallocated funds

South Africa will host the 2014 African Nations Championship football tournament in January 2014. R120 million was made available to support host cities in the Division of Revenue Act, 2013 through the *2014 African Nations Championship host cities operating grant*. At the time the Division of Revenue Bill, 2013, was tabled only one city had confirmed it would host part of the tournament and so funds could only be gazetted for Cape Town. Mangaung and Polokwane have subsequently also confirmed that they will host matches and so allocations will now also be gazetted for these host cities.

Detail of changes to allocations

Details per municipality of the changes to allocations for the *municipal infrastructure grant*, *regional bulk infrastructure grant*, *rural households infrastructure grant* and *expanded public works programme integrated grant for municipalities* that have been described in Part 2 of this explanatory memorandum will be gazetted. These changes are show in annexures 3, 4 and 5 to the Bill.

ANNEXURE 1:
FRAMEWORKS FOR CONDITIONAL
GRANTS TO PROVINCES

Annexure 1: Frameworks for Conditional Grants to Provinces

Detailed frameworks on Schedules 4A and 5A grants to provinces

Introduction

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

- 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 Amendment 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 Amendment 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

Comprehensive Agricultural Support Programme	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Forestry and Fisheries (Vote 26)
Strategic goal	<ul style="list-style-type: none"> • To create a favourable and supportive agricultural services environment for the farming community, in particular subsistence, smallholder and black commercial farmers
Grant purpose	<ul style="list-style-type: none"> • 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 • To address damage to infrastructure caused by floods
Outcome statements	<ul style="list-style-type: none"> • Broadened access to agricultural support for subsistence, smallholder and previously disadvantaged commercial farmers • On-off farm infrastructure provided • Identified markets for beneficiaries of the Comprehensive Agricultural Support Programme (CASP) • Improved knowledge and information on farming of CASP beneficiaries • Improved and effective extension and advisory services for farmers
Outputs	<ul style="list-style-type: none"> • Number of subsistence, smallholder and commercial farmers supported through CASP • Number of youth and women farmers supported through CASP • Number of on-off farm infrastructure provided • Number of beneficiaries of CASP trained on farming methods • Number of beneficiaries of CASP with markets identified • Number of jobs created • Number of extension personnel recruited and maintained in the system • Number of extension officers upgrading qualifications in various institutions • Successful partnerships created to support farmers
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 5: A skilled and capable work force to support an inclusive growth path and capacity development • Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all • Outcome 4: Decent employment through inclusive economic growth
Details contained in the business plan	<ul style="list-style-type: none"> • Output indicators • Inputs • Key activities • Monitoring and evaluation
Conditions	<ul style="list-style-type: none"> • Provinces to approve a Standard Operating Procedure (SOP) informed by the national SOP Framework by end March 2013 • Decision to fund projects or farmers should be guided by the provincial SOP, or if not in place, the national SOP framework • Only business plans approved by established committees and authorities should receive the CASP grant • All assisted farmers should be listed in the provincial and national farm registers • The provincial department to confirm human resources capacity to implement CASP business plan by 2 April 2013 • All receiving departments must abide by section 11 of 2013 Division of Revenue Act (DoRA) • Funds will be transferred as per the disbursement schedule for 2013/14 • 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 • 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 • Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods in the 2011/12 and 2012/13 financial years. 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 natural disasters declared in the Government Gazette and as assessed by the National Disaster Management Centre (NDMC): <ul style="list-style-type: none"> – Limpopo R2.5 million – Mpumalanga R0.3 million – Western Cape R1.5 million • Business plans for the allocated disaster funds must be in line with the post disaster verification assessment reports and must be submitted to the NDMC and Department of Agriculture Forestry and Fisheries (DAFF)

Comprehensive Agricultural Support Programme	
	<ul style="list-style-type: none"> Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans Quarterly performance reports on disaster allocations must be submitted to the NDMC and DAFF
Allocation criteria	<ul style="list-style-type: none"> 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
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The funding originated with the special poverty allocations made by national government for a specific purpose The responsibility for the programme rests with DAFF while provincial Departments of Agriculture are implementing agents
Past performance	2011/12 audited financial outcomes <ul style="list-style-type: none"> Allocated and transferred R1 029 million to provinces R1 049 million available (including provincial roll-overs), 93.8 per cent was spent
	2011/12 service delivery performance <ul style="list-style-type: none"> 36 504 beneficiaries were supported 6 303 jobs created 16 181 farmers trained in targeted training programmes A total of 95 extension officers were recruited nationally A total of 828 extension officers registered for qualification upgrading
Projected life	<ul style="list-style-type: none"> Grant continues until 2015/16
MTEF allocations	<ul style="list-style-type: none"> 2013/14: R1 604 million, 2014/15: R1 665 million and 2015/16: R1 742 million
Payment schedule	<ul style="list-style-type: none"> 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
Responsibilities of the transferring national officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Agree on outputs and targets with provincial departments in line with grant objectives for 2013/14 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 Provide the guidelines and criteria for the development and approval of business plans Monitor implementation through project site visits and provide support on monthly and quarterly basis Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter Submit quarterly performance reports on disaster allocations, to NDMC within 45 days after the end of each quarter 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
	Responsibilities of the provincial departments <ul style="list-style-type: none"> Provinces to report monthly (financial) and quarterly (non-financial) reports on the progress of the programme Provinces to implement the SOP as approved Provinces to implement CASP pillars on the approved business plans; otherwise DAFF should be notified in writing about deviations before implementation can take place Monitor and evaluate the impact of the implementation of the CASP in achieving the programme goals Submit quarterly performance reports on disaster allocations, to the Provincial Disaster Management Centre and DAFF within 30 days after the end of each quarter
Process for approval of the 2014/15 business plans	<ul style="list-style-type: none"> Provide the provincial departments with business plan format guidelines, criteria and outputs as prescribed by National Treasury by 31 May 2013 Submission of provincial business plans by 29 November 2013 Engagement with provinces on submitted business plans during December 2013 – February 2014 through the National Assessment Panel (NAP) Evaluation and recommendation of business plans by NAP during December 2013 - February 2014 Send funding agreement to provinces by February 2014 to be signed by HODs, Chief Financial Officers and CASP coordinators Approval of business plans by DAFF Director-General (DG) before 31 March 2014 Inform provinces of approval of business plans by March or April 2014 Approval by the DG regarding 2014 DoRA business planning process compliance during April 2014 and send to National Treasury DG by April 2014

BASIC EDUCATION GRANT

Education Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 15)
Strategic goal	<ul style="list-style-type: none"> • To supplement provinces to fund provincial education infrastructure
Grant purpose	<ul style="list-style-type: none"> • 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
Outcome statements	<ul style="list-style-type: none"> • Improved service delivery by provincial departments as a result of an improved and increased stock of schools infrastructure • Aligned and coordinated approach to infrastructure development at the provincial level • Improved education infrastructure expenditure patterns • Improved response to the rehabilitation of school infrastructure affected by disasters • Improved rates of employment and skills development in the delivery of infrastructure
Outputs	<ul style="list-style-type: none"> • Number of new schools and additional education spaces, education support spaces, administration as well as equipment and furniture • Number of existing school infrastructure upgraded and rehabilitated • Number of new and existing schools maintained • Number of work opportunities created
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 1: Improved quality of basic education
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses an User-Asset Management Plan (U-AMP) which contains the following: <ul style="list-style-type: none"> – demand and need determination – education infrastructure improvement priorities and targets – current performance of education infrastructure – project portfolio – U-AMP improvement plan – project lists for 2014/15 and 2015/16 – maintenance plan – financial summary – organisational and support plan
Conditions	<ul style="list-style-type: none"> • Provinces may use a maximum of R16 million of this grant in the 2013/14 financial year for the appointment of public servants to their infrastructure units. This funding is allocated for this purpose until 2015/16 • Provinces must within 14 days after the Division of Revenue Act takes effect or another date approved by National Treasury, submit to Department of Education (DBE) and National Treasury the approved organisational structures that comply with the Public Service Act, 1994 (Proclamation 103 of 1994) applicable to infrastructure delivery in the sector. The submission must include posts per profession and the highest educational qualifications of the incumbent and years of experience in the management and operationalisation of infrastructure in the public sector, vacancies and existing posts filled. Provincial Education Department (PEDs) must also indicate the number of vacancies and positions filled and report expenditure for all posts funded fully or partially by this conditional allocation • Provinces must report all infrastructure expenditure partially or fully funded by this grant in a format determined by the National Treasury and the DBE • Provinces must maintain a record of all contracts that are fully or partially funded by this grant, if the contract is above the prescribed tender value that is compliant with the Register of Projects of the Construction Industry Development Board (recorded on the i-Tender system) • PEDs, must within 14 days after this Act takes effect, publish in the provincial Gazette a list of prioritised infrastructure projects that will require full or partial funding from conditional grant • Within seven days after publication, submit the published list to DBE, the provincial treasury and the National Treasury; and publish, subject to approval by the DBE, in the provincial Gazette any amendment to the list and submit it to DBE, the provincial treasury and the National Treasury • The flow of the first instalment of the grant depends upon receipt of the approved and signed off tabled User Asset Management Plans (U-AMPs) with prioritised project lists for the 2013 MTEF not later than 10 April 2013 to DBE and the relevant provincial treasury • The flow of the second instalment depends upon receipt by DBE and the provincial treasury of the approved and signed off: <ul style="list-style-type: none"> – 2012/13 fourth quarter infrastructure reports captured on the Infrastructure Reporting Model (IRM) – National Education Infrastructure Management System (NEIMS) assessment forms for the fourth quarter of 2012/13 financial year not later than 19 April 2013 – monthly infrastructure reports in the format determined by National Treasury and the DBE • The flow of the third instalment is dependent upon receipt by DBE and the provincial treasury of the approved and signed off: <ul style="list-style-type: none"> – draft U-AMPs for all infrastructure programmes for 2014/15 and 2015/16 including the

Education Infrastructure Grant	
	<p>initial list of prioritised projects by 26 July 2013. 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 and the provincial treasury</p> <ul style="list-style-type: none"> – monthly infrastructure report for 2013 in the format determined by National Treasury and the DBE – NEIMS assessment forms for the first quarter of 2013/14 by 26 July 2013 <ul style="list-style-type: none"> • The flow of the fourth instalment is conditional upon receipt by DBE and the provincial treasury of the submission of the approved and signed off: <ul style="list-style-type: none"> – monthly infrastructure reports for 2013 in the format determined by National Treasury and the DBE. NEIMS assessment forms for the second quarter of 2013/14 by 25 October 2013. Submission of an Infrastructure Programme Management Plan (IPMP) and the construction procurement strategy for infrastructure programmes envisaged to commence in the 2014/15 financial year by 20 September 2013 – submission to DBE of the implementation plans for schools affected by disasters in the 2011/12 financial year by 6 November 2013 • The flow of the fifth instalment is conditional upon receipt by DBE and the provincial treasury of the submission of the approved and signed off: <ul style="list-style-type: none"> – monthly infrastructure reports for 2013 in the format determined by National Treasury and the DBE – NEIMS assessment forms for the third quarter of 2013/14. The submission is to be made to DBE not later than 24 January 2014 – 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 • 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 and Infrastructure Programme Implementation Plan (IPIP) • 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 • PEDs must provide School Governing Bodies with maintenance guidelines to conduct minor maintenance. This should be in accordance with the sector maintenance strategy • PEDs must establish and maintain updated immovable asset registers • PEDs must provide all the necessary equipment and furniture in the spaces provided when constructing new projects • Minor maintenance functions 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 sections 21 allocation for maintenance • PEDs must seek approval from DBE, in consultation with the National Treasury, for the procurement of any mobile classrooms to be funded by this grant • Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of this grant • For purposes of the grant in 2015/16 PEDs must in the format determined by the National Treasury, submit to the DBE and National Treasury, by: <ul style="list-style-type: none"> – 5 July 2013, a document setting out their roles and responsibilities regarding infrastructure delivery, approved by the Executive Council of the province – 26 July 2013, a User Asset Management Plan for all infrastructure programmes for the 2014/15 and 2015/16 financial years – 20 September 2013, an IPMP and construction procurement strategy for infrastructure programmes envisaged to commence in the 2015/16 financial year • Funds have been added to this grant for the repair of infrastructure damaged by floods in January and February 2012. 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 (NDMC): <ul style="list-style-type: none"> – Eastern Cape R110 million – Free State R6 million – KwaZulu-Natal R16 million – Limpopo R20 million – Mpumalanga R2 million – North West R4 million • Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods in the 2011/12 and 2012/13 financial years. 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 natural disasters declared in the Government Gazette and as assessed by the NDMC:

Education Infrastructure Grant	
	<ul style="list-style-type: none"> – KwaZulu-Natal R7.6 million – Limpopo R0.2 million – Mpumalanga R4.9 million <ul style="list-style-type: none"> • Business plans for the allocated disaster funds must be in line with the post disaster verification assessment reports and must be submitted to the NDMC • Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DBE • R533 million is earmarked for projects in the Western Cape that were funded through the School Infrastructure Backlogs Grant. These funds must be used to meet the objectives of the School Infrastructure Backlogs Grant
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2013/14 are based on historical division within the previous Infrastructure Grant for Provinces • 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 will be subject to revision
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • 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
Past performance	<p>2011/12 financial outcomes</p> <ul style="list-style-type: none"> • Allocation was R5 498 million • The allocation was adjusted by R180 million for schools affected by disasters in 2010/11 financial year • Of the total R5 678 million adjusted budget, R5 361 million was transferred to provinces with R367 million withheld from the Eastern Cape • The spending was R5 254 million or 93 per cent of the adjusted allocation
	<p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> • 3 308 teaching spaces provided, 2521 admin spaces, 163 water, 475 sanitation, 204 energy, 227 fencing, 924 maintenance and upgrades and 24 sports facilities
Projected life	<ul style="list-style-type: none"> • 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
MTEF allocations	<ul style="list-style-type: none"> • 2013/14: R6 643 million, 2014/15: R7 161 million and 2015/16: R 10 659 million
Payment schedule	<ul style="list-style-type: none"> • 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
Responsibilities of the transferring national officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • DBE will visit selected infrastructure sites in provinces • DBE and National Treasury will support provinces to improve infrastructure delivery capacity and systems • DBE must provide guidance to provinces in planning and prioritisation • DBE must evaluate and provide feedback to all provinces on the assessment of U-AMPs/ infrastructure plans • DBE to report on monthly performance on infrastructure delivery to the Council of Education Ministers and to National Treasury within 30 days after end of each month • DBE must provide maintenance guidelines to PEDs • Submit quarterly performance reports on disaster allocations, to NDMC within 45 days after the end of each quarter

Education Infrastructure Grant	
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • PEDs must submit a monthly provincial infrastructure report on their infrastructure programmes within 15 days after the end of each month to the relevant provincial treasury and DBE • Within two months after the end of the financial year: <ul style="list-style-type: none"> – evaluate the financial and non-financial performance in respect of the programmes funded or funded partially by the grant based on the infrastructure budget – submit the evaluation to DBE, provincial treasury and National Treasury • Provincial departments must establish committees with the relevant Implementing Agents and hold monthly meetings that are minuted to review progress on the projects within the IPMP and IPIP • Consult with the relevant municipality on the development of the IDPs to ensure integrated planning of basic services and school sporting facilities • Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the Act • PEDs must table infrastructure plans together with draft strategic and annual performance plans • PEDs must submit to DBE, provincial treasury and National Treasury, within 14 days after the Division of Revenue Act takes effect or another date approved by National Treasury, the approved organisational structure that complies with the Public Service Act, 1994 (Proclamation 103 of 1994) applicable to infrastructure delivery in the sector • Submit quarterly performance reports on disaster allocations, to the Provincial Disaster Management Centre and DBE within 30 days after the end of each quarter
Process for approval of the 2014/15 business plans	<ul style="list-style-type: none"> • 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 • Submission of progress report on implementation of programme for schools affected by disasters by 17 January 2014 • Submission of draft IPMPs and Construction Procurement Strategies for 2014/15 by client Departments to Implementing Agents by 3 September 2013 • Implementing Department(s) or Agent(s) must submit the IPIP for 2014/15 to client departments by 29 November 2013

HEALTH GRANT

Health Facility Revitalisation Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> • To enable provinces to plan, manage, maintain and transform health infrastructure in line with national and provincial policy objectives
Grant purpose	<ul style="list-style-type: none"> • To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including: health technology, organisational design systems and quality assurance • Supplement expenditure on health infrastructure delivered through public-private partnerships • To enhance capacity to deliver health infrastructure • The Hospital Revitalisation component funds construction, maintenance, upgrading or replacement of hospitals • The Nursing Colleges and Schools component funds the upgrading of nursing colleges and schools • The Health Infrastructure component funds improvements in all health facilities • To address damage to infrastructure caused by floods
Outcome statements	<ul style="list-style-type: none"> • Improved service delivery by provincial departments as a result of an improved quality of health services • Improved quality and well maintained health infrastructure (backlog and preventative maintenance) • Improved rates of employment and skills development in the delivery of infrastructure • Value for money and cost effectively designed facilities
Outputs	<ul style="list-style-type: none"> • Number of health facilities, planned, designed, constructed, equipped, operationalised and maintained
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 2: A long and healthy life for all South Africans
Details contained in the business plan	<ul style="list-style-type: none"> • 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"> – projects funded in 2013/14, 2014/15 and 2015/16 – annual project milestones – quarterly cash flow projections per project for 2013/14
Conditions	<ul style="list-style-type: none"> • The grant has three components: 1) Hospital Revitalisation, 2) Health Infrastructure and 3) Nursing Colleges and Schools <p>Hospital Revitalisation component:</p> <ul style="list-style-type: none"> • 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 • All the new projects should follow peer review stages as per prescribed formats incorporated in the Project Implementation Manual (PIM) • Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods in the 2011/12 and 2012/13 financial years. 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 natural disasters declared in the Government Gazette and as assessed by the National Disaster Management Centre (NDMC): <ul style="list-style-type: none"> – KwaZulu-Natal R0.06 million – Mpumalanga R0.2 million • Business plans for the allocated disaster funds must be in line with the post disaster verification assessment reports and must be submitted to the NDMC • Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DOH <p>Nursing Colleges and Schools component:</p> <ul style="list-style-type: none"> • 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 <p>General conditions for all components:</p> <ul style="list-style-type: none"> • 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 • Provinces must implement projects in line with the approved AIP, as guided by PIM • The 2013/14 MTEF project list as captured in the IPMP and AIP should comply with the following allocations:

Health Facility Revitalisation Grant	
	<ul style="list-style-type: none"> – minimum of 25 per cent of the grant allocation for maintenance of infrastructure – minimum of 25 per cent of the grant allocation for rehabilitation, refurbishment and repair, upgrades and additions of infrastructure – maximum of 50 per cent of the grant allocation should be allocated for new and replacement infrastructure • Province may deviate from these allocation conditions if approval from DoH is obtained by 30 April 2013 • 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 • 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 • 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 • IRM infrastructure reports should be submitted by the 15th of every month to DoH • 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 • 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 • The flow of the second instalment depends on the receipt by DoH of fourth quarter infrastructure 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 • The flow of the third instalment is dependent upon receipt by DoH by 22 July 2013 of the: <ul style="list-style-type: none"> – draft 2014/15 U-AMP to be submitted to DoH and relevant provincial treasury by 28 June 2013 – first draft 2014/15 IPMP including the initial list of prioritised projects captured as well as the first quarter 2013/14 quarterly infrastructure report – 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 – 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 • 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"> – signed off quarterly infrastructure reports for the second quarter captured on the IRM and the PMIS – operational maintenance plans including HT for every project, excluding maintenance projects, reaching practical completion stage during quarter 3 to DoH and relevant provincial treasury • The flow of the fifth instalment is dependent upon receipt by DoH by 20 January 2014 of the: <ul style="list-style-type: none"> – draft IPIPs from the relevant implementing agents for the 2014/15 projects – revised IPMP (second draft) incorporating the realistic cash flows for 2014 MTEF and detailed AIP Annual Implementation Plans for the 2014/15 financial year • 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 • 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 • 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 • 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 • All the new Hospital Revitalisation projects for 2014/15 should follow Peer Review stages as

Health Facility Revitalisation Grant	
	per prescribed formats incorporated in the PIM
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2013/14 are project based, but will increasingly be based on performance over the MTEF
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • 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
Past performance	<p>2011/12 audited financial outcomes</p> <ul style="list-style-type: none"> • Hospital Revitalisation component: allocated and transferred R4 554 million (including rollovers). Of the total transferred, R4 194 million (92 per cent) was spent • Health Infrastructure component: Allocated and transferred R1 781 million (including rollovers). Of the total transferred, R1 654 million (93 per cent) was spent • Nursing Colleges and Schools component: no reporting information available as the grant started in 2012/13 <p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> • Hospital Revitalisation component: The following facilities were completed: Germiston hospital; Moses Kotane hospital; Vryburg hospital and Khayelitsha hospital • 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 • Nursing Colleges and Schools component: no reporting information available as the grant started in 2012/13
Projected life	<ul style="list-style-type: none"> • 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
MTEF allocations	<ul style="list-style-type: none"> • 2013/14: R5 291 million, 2014/15: R4 739 million and 2015/16: R4 988 million
Payment schedule	<ul style="list-style-type: none"> • Quarterly transfers
Responsibilities of the transferring national officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Conduct provincial site visits • Attend provincial Infrastructure Progress Review Meetings • Provide guidance to provinces in planning and prioritisation and evaluate U-AMP, IPMP, AIP and prioritised projects that provinces develop and submit • Submit monthly infrastructure reports to the National Treasury within 30 days of the end of each month • 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 • Updating project implementation manual • Peer review and feedback processes should be undertaken timeously and within acceptable turnaround times • Submit quarterly performance reports on disaster allocations, to NDMC within 45 days after the end of each quarter <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • 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 • Compile and submit comprehensive project progress reports to DoH, provincial treasury and National Treasury • 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 • Submit reports for each of the three grant components and for the total grant • Submit quarterly performance reports on approved template until such time the PMIS is up and running • PDHs must align infrastructure plans (U-AMP and IPMP) with their respective Service Transformation Plans, Strategic Plans and Annual Performance Plans • All projects in retention must be closed within 12 months of works completion • Adhered to all immovable asset management and maintenance responsibilities as prescribed by the Government Immovable Asset Management Act of 2007 and the Provincial IDMS • Submit quarterly performance reports on disaster allocations, to the Provincial Disaster Management Centre and DoH within 30 days after the end of each quarter
Process for approval of the 2014/15 business plans	<ul style="list-style-type: none"> • Submission of draft 2014/15 UAMP to be submitted to DOH by 28 June 2013 • Submission of first draft IPMPs for 2014/15 by PDH to Implementing Agents by 3 September 2013 • Implementing Department(s) or Agent(s) must submit the first draft IPIP for 2014/15 to PDH by 29 November 2013 • Submission of the first draft AIP by 20 January 2014 • Submission of the final IPMP, U-AMP and IPIP for 2014/15 by PDHs to DoH by 28 February 2014 • Submission of final budget allocations for 2014/15 by PDH to IAs by 28 February 2014

HUMAN SETTLEMENTS GRANT

Human Settlements Development Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 31)
Strategic goal	<ul style="list-style-type: none"> The creation of sustainable human settlements that enables an improved quality of household life
Grant purpose	<ul style="list-style-type: none"> To provide funding for the creation of sustainable human settlements To address damage to infrastructure caused by floods
Outcome statements	<ul style="list-style-type: none"> 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 Improved rates of employment and skills development in the delivery of infrastructure
Outputs	<ul style="list-style-type: none"> Number of residential units delivered in each housing programme Number of serviced sites delivered in each housing programme Number of finance linked subsidies approved and disbursed Number of households in informal settlements provided with household access to services/upgraded services Number of hectares of well located land acquired and/or released for residential development Number of work opportunities created through related programmes
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 8: Sustainable human settlements and improved quality of household life
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Outputs Cash flow (payment schedule) Quarterly reporting
Conditions	<ul style="list-style-type: none"> 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 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 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 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"> – Eastern Cape: Duncan Village: R109.8 million – Gauteng: Khutsong: R96 million – Gauteng: Lufhereng: R182.9 million – Gauteng: Diepsloot: R91.5 million – Gauteng: Sweet Waters: R45.7 million – KwaZulu-Natal: Cornubia: R120.7 million – Limpopo: Lephalale: R291.6million – Western Cape: Drommedaris: R62.7 million The priority project allocation for Lephalale may, in consultation with the municipality, the national Department of Human Settlements (DHS) and the National Treasury, provide for bulk and link infrastructure that supports human settlements development 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 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) 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 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 (NDMC): <ul style="list-style-type: none"> – Eastern Cape: R94.1 million – Free State: R73.2 million

Human Settlements Development Grant	
	<ul style="list-style-type: none"> – Gauteng: R0.06 million – KwaZulu-Natal: R51.7 million – Limpopo: R35.6 million – Mpumalanga: R0.6 million – Northern Cape: R17.1 million – North West: R26.3 million <ul style="list-style-type: none"> • Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods in the 2011/12 and 2012/13 financial years. 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 natural disasters declared in the Government Gazette and as assessed by the NDMC: <ul style="list-style-type: none"> – KwaZulu-Natal R40.2 million – Limpopo R1.4 million – Mpumalanga R1.8 million – Western Cape R1.2 million • Business plans for the allocated disaster funds must be in line with the post disaster verification assessment reports and must be submitted to the NDMC and DHS • Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DHS • 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"> – Nelson Mandela 2013/14: R206.9 million – Ekurhuleni 2013/14: R933.8 million – Johannesburg 2013/14: R1 314 million – Tshwane 2013/14: R788.6 million – eThekweni 2013/14: R878.4 million – Cape Town 2013/14: R733.4 million
Allocation criteria	<ul style="list-style-type: none"> • The grant is apportioned into a 80/20 split as follows: <ul style="list-style-type: none"> – 80 per cent is allocated to provinces in terms of the sector approved formula – 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 – 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 – an interim allocation basis will consider the current approved projects budgets running in the municipalities accredited to levels one and two – 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
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • A conditional grant enables the national department to provide effective oversight, ensure compliance with the National Housing Code and Outcome 8
Past performance	<p>2011/12 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R14 941.5 million to provinces • R14 446.4 million (96.7 per cent) was spent <p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> • 116 056 housing units completed • 56 697 serviced sites completed
Projected life	<ul style="list-style-type: none"> • 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
MTEF allocations	<ul style="list-style-type: none"> • 2013/14: R17 028 million, 2014/15: R17 918 million, and 2015/16: R19 667 million
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments as per the approved payment schedule
Responsibilities of the transferring national officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Approve the national and provincial business plans and compliance certificate • Monitor provincial, financial and non-financial grant performance and control systems related to the human settlements conditional grant • Provide support to provinces with regards to human settlements delivery as may be required • Undertake structured and other visits to provinces as is necessary • Facilitate regular interaction between national and provincial departments of human settlements

Human Settlements Development Grant	
	<ul style="list-style-type: none"> • Submit an annual evaluation report for 2012/13 on the performance of the grant to National Treasury by 31 July 2013 • Evaluate the audited provincial annual reports for submission to National Treasury by 13 December 2013 • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit quarterly performance reports on disaster allocations, to NDMC within 45 days after the end of each quarter • Provide systems (Housing Subsidy System) that support the administration of the human settlement delivery process • Comply with the responsibilities of the national transferring officer outlined in the 2013 DoRA
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Submit final provincial business plans, project lists including cash flow projections and compliance certificates to the national department by 14 February 2014 • Submit 2012/13 annual evaluation reports on their performance to the national department by 31 May 2013 • Submit 2012/13 audited annual reports to the national department by 27 September 2013 • Submit quarterly performance reports on disaster allocations, to the Provincial Disaster Management Centre and DHS within 30 days after the end of each quarter • Support accredited municipalities in carrying out delegated functions as per the Accreditation Framework • Provinces must utilise the Housing Subsidy System (HSS) for the administration and related performance reporting of all the human settlement delivery programme and processes • Ensure effective and efficient utilisation of the HSS by municipalities • Comply with the responsibilities of the receiving officer outlined in the 2013 DoRA • Comply with the terms and conditions of the national performance agreements and provincial and local delivery agreements • 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 15th of every month for the preceding month • The monthly DoRA expenditure and quarterly reports must be signed by both the Head of Department and the relevant provincial treasury
Process for approval of the 2014/15 business plans	<ul style="list-style-type: none"> • First draft provincial business plans for 2014/15 financial year to be submitted to the national department by 29 November 2013 • 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 • Submit approved 2014/15 provincial and national plan to National Treasury by 31 March 2014

TRANSPORT GRANT

Provincial Roads Maintenance Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 37)
Strategic goal	<ul style="list-style-type: none"> • 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
Grant purpose	<ul style="list-style-type: none"> • 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 • To supplement provincial projects for the repairs to roads and bridges damaged by natural disasters; declared in Government Gazette and as assessed by the National Disaster Management Centre (NDMC) • To improve the state of the coal haulage network
Outcome statements	<ul style="list-style-type: none"> • 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 • 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 • Improved rates of employment and skills development through the delivery of road infrastructure projects
Outputs	<ul style="list-style-type: none"> • 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 • Extent of network serviced by Routine Road Maintenance Teams • Number of lane-kilometres of surfaced roads rehabilitated • Number of lane-kilometres of surfaced roads resealed • Number of kilometres of gravel roads re-gravelled • Number of m² of blacktop patching (including pothole repairs) • Number of kilometres of gravel roads bladed • Number of kilometres of surfaced roads assessed (Visual Condition Index (VCI's) completed as per Technical Methods for Highways (TMH) 12) • Number of kilometres of gravel roads assessed (VCI's completed as per TMH 9) • Number of weighbridges maintained and calibrated to South African Bureau Standards (SABS) • Number of work opportunities (jobs) created • Number of youths (aged 18 – 35) employed • Number of women employed • Number of people living with disabilities employed • Number of full time equivalents (FTEs) jobs created • Number of graduates provided with experiential internships • Number of graduates provided with experiential training and assisted to register with Engineering Council of South Africa (ECSA) • Number of emerging contractor development opportunities created • Rehabilitation and repair of roads and bridges damaged by floods • Rehabilitation of coal haulage roads
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 6: An efficient, competitive and responsive economic infrastructure network
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses a Road Asset Management Plan, which contains the following details: <ul style="list-style-type: none"> – level of service – network condition and traffic volumes – 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 – financial summary – organisational and support plan – job creation – emerging contractor opportunities – linkages to socioeconomic activities and opportunities
Conditions	<ul style="list-style-type: none"> • 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"> – 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 – VCIs and ensuring that Provincial Road Asset Management Systems are kept up to date • 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 qualifications and relevant work experience of the public servants/technical consultants must be

Provincial Roads Maintenance Grant	
	<p>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"> • Provinces must report all infrastructure expenditure partially or fully funded by this grant on the Infrastructure Reporting Model provided by the National Treasury • 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 • 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 • For RISFSA Class R1, R2 and R3 data collection requirements are: <ul style="list-style-type: none"> – visual condition data not older than two years for pavements and five years for bridges – instrumental pavement data for roughness, rut depth and macro texture not older than two years – instrumental pavement data for structural strength not older than five years – traffic data not older than three years • For RISFSA Class R4 and R5 data requirements are: <ul style="list-style-type: none"> – visual condition data not older than three years for pavements and five years for bridges – instrumental pavement data for roughness, rut depth and macro texture not older than four years on paved roads – traffic data not older than five years • 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 • 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 • 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 • 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 • Where applicable provincial departments must implement their projects in line with the S’hamba Sonke and Expanded Public Works Programme (EPWP) guidelines • Provincial departments should report on the EPWP work opportunities to the DoT and national Department of Public Works on the EPWP reporting system • The payment of the first instalment is dependent upon submission to DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> – 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 – 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 • The payment of the second instalment 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 • The third instalment 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 • The fourth instalment 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 • Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods in the 2011/12 and 2012/13 financial years. 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 natural disasters declared in the Government Gazette and as assessed by the NDMC: <ul style="list-style-type: none"> – KwaZulu-Natal R1.6 million – Limpopo R4.5 million – Mpumalanga R18.3 million – Western Cape R17.2 million • Business plans for the allocated disaster funds must be in line with the post disaster verification assessment reports and must be submitted to the NDMC and DoT • Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans

Provincial Roads Maintenance Grant	
Allocation criteria	<ul style="list-style-type: none"> • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DoT • 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 • The funding for the coal haulage road network to Gauteng and Mpumalanga is subject to separate allocation criteria based on the programme schedule • 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 • 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
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This grant is intended to ensure that provinces give priority to road infrastructure maintenance and promote efficiency in road investment
Past performance	<p>2011/12 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R6 457 million to provinces • R5 522 million (86 per cent) was spent by provinces <p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> • 3.9 million m² of re-sealing of paved roads • 2 700 km of re-gravelling • 593 942 m² of black top patching of paved roads • 217 647 km of gravel roads bladed • 60 089 FTE jobs created
Projected life	<ul style="list-style-type: none"> • The grant is ongoing, but will be subject to periodic review
MTEF allocations	<ul style="list-style-type: none"> • 2013/14: R8 738 million, 2014/15: R9 126 million and 2015/16: R9 774 million, which includes earmarked funding for: <ul style="list-style-type: none"> – disaster response: 2013/14: R409.4 million and 2014/15: R366.9 million – coal haulage: 2013/14: R808.9 million, 2014/15: R803 million and 2015/16: R839.9 million
Payment schedule	<ul style="list-style-type: none"> • Payment will be made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring national officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Assess and evaluate all provinces' road asset management plans and ensure these are used to plan and prioritize maintenance work according to RISFSA • 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 • Provide support to provinces to enable them to report on asset management system data that is compatible with the national system • Updating the TMH, TRH and COTO technical specifications, manuals and guidelines for road construction and maintenance • Monitor expenditure and performance in accordance with RAMS • Verify that primary data sources are updated • 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 • Evaluate RAMPs and give feedback to provincial departments • Submit a consolidated monthly provincial infrastructure report to National Treasury within 30 days after the end of the each month • Submit quarterly performance reports to National Treasury and National Council of Provinces within 45 days after the end of each quarter • Submit quarterly performance reports on disaster allocations, to NDMC within 45 days after the end of each quarter

Provincial Roads Maintenance Grant	
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Ensure projects are selected using RAMS as the primary source • Ensure ongoing stakeholder communication and engagement, with regard to planning and implementation of road projects • 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 • Design and implement projects in compliance with the S'hamba Sonke and EPWP guidelines • Update monthly expenditure reporting in terms of Section 40(4)(c) of the Public Finance Management Act and through the IRM • Report on the EPWP work opportunities created by the projects • Submit quarterly performance reports within 30 days after the end of each quarter to DoT, the relevant provincial treasury and National Treasury • Submit quarterly performance reports on disaster allocations, to the Provincial Disaster Management Centre and DoT within 30 days after the end of each quarter
Process for approval of the 2014/15 Road Asset Management Plan	<ul style="list-style-type: none"> • 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 • 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 • Provinces to submit revised Road Asset Management Plans by 30 October 2013 • Provinces to submit final 2014/15 RAMP to DoT, relevant provincial treasury and National Treasury by end April 2014

ANNEXURE 2:
FRAMEWORKS FOR CONDITIONAL
GRANTS TO MUNICIPALITIES

Annexure 2: Frameworks for Conditional Grants to Municipalities

Detailed frameworks on Schedule 5B and 6B grants to municipalities

Introduction

This annexure provides a brief description for grants in Schedules 5B and 6B of the 2013 Division of Revenue Amendment Bill. The following are key areas considered for the 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 2014 MTEF allocations

The attached frameworks are not part of the Division of Revenue Amendment 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 Amendment 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 GRANT

Municipal Disaster Recovery Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance and Traditional Affairs (Vote 3)
Strategic goal	<ul style="list-style-type: none"> To restore the functionality of municipal infrastructure following a declared disaster
Grant purpose	<ul style="list-style-type: none"> To rehabilitate and reconstruct municipal infrastructure damaged by disasters
Outcome statements	<ul style="list-style-type: none"> Disaster damaged municipal infrastructure rehabilitated and reconstructed
Outputs	<ul style="list-style-type: none"> Number of disaster damaged municipal infrastructure reconstructed and rehabilitated
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: A responsive, accountable, effective and efficient local government system
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses the business plan template developed by the National Disaster Management Centre (NDMC) which must include a project implementation plan, highlighting: <ul style="list-style-type: none"> list of projects to be implemented in terms of priority time frames within which the projects will be implemented the implementation of disaster risk reduction measures for these projects to prevent reoccurrence of damage number of people to benefit from the projects and jobs created
Conditions	<ul style="list-style-type: none"> A business plan and project implementation plan signed by the accounting officer and aligned to the post disaster verification assessment report must be submitted to the NDMC Disaster reconstruction and rehabilitation funds may only be utilised for approved projects listed in the post disaster verification assessment report and in the business plan approved by the NDMC Quarterly financial and performance reports on disaster allocations must be submitted to the NDMC
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated based on approved post disaster reconstruction and rehabilitation assessment reports Only post disaster reconstruction and rehabilitation projects that have been submitted for verification assessments within six months following a disaster will be considered
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This grant caters for response to unforeseen disasters
Past performance	<p>2011/12 audited financial outcomes</p> <ul style="list-style-type: none"> New grant <p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> New Grant
Projected life	<ul style="list-style-type: none"> The functionality of all municipal infrastructure damaged by the declared disasters is expected to be restored by 2015/16
MTEF allocations	<ul style="list-style-type: none"> 2013/14: R118.3 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring national officer and receiving officer	<p>Responsibilities of National Disaster Management Centre</p> <ul style="list-style-type: none"> Advise municipalities about the grant and its conditions Provide through the Provincial Disaster Management Centre (PDMC) a final post disaster verification assessment report that includes a project list for all infrastructure to be reconstructed or rehabilitated Together with the affected municipalities and provinces, monitor the implementation of projects Provide a performance report to National Treasury within 45 days of the end of each quarter <p>Responsibilities of Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> Advise municipalities about the grant and its conditions Assist municipalities with business plans incorporating the implementation plan and disaster risk reduction measures for disaster funding Conduct on site visits to monitor the implementation of projects and provide reports to the NDMC Provide expenditure and performance report to the NDMC within 30 days of the end of the quarter <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Develop and submit business plans incorporating implementation plans and disaster risk reduction measures for the disaster funding Conduct on site visits to monitor projects and provide reports to the NDMC through the relevant PDMC Utilise the funds in line with the approved post disaster verification assessment report and approved business plans Provide financial and performance report to the NDMC and relevant PDMC within 30 days of the end of the quarter
Process for approval of 2014 MTEF allocations	<ul style="list-style-type: none"> Not applicable

HUMAN SETTLEMENTS GRANT

Rural Households Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 31)
Strategic goal	<ul style="list-style-type: none"> To reduce water and sanitation backlogs in rural households
Grant purpose	<ul style="list-style-type: none"> 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
Outcome statements	<ul style="list-style-type: none"> Improved access to basic water and sanitation in rural areas
Outputs	<ul style="list-style-type: none"> Number of rural households provided with access to on-site sanitation Number of rural households provided with non-bulk-dependent water facilities Number of jobs created Number of households trained in on site technologies and maintenance of facilities Number of households reached by health and hygiene awareness training
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all Outcome 8: Sustainable human settlements and improved quality of household life Outcome 9: A responsive, accountable, effective and efficient local government system
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Key activities Inputs
Conditions	<ul style="list-style-type: none"> Municipalities must submit business plans approved by the Accounting Officer, in accordance with their Water Services Development Plans Fund training for beneficiaries on health and hygiene practices and how to maintain the facilities provided Target the provision of on-site sanitation and water facilities to rural households not intended for connector services. The design of sanitation facilities has to be consistent with South African National Standards norms and standards 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
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on the highest number of backlogs in each of the 23 priority district municipalities identified by government
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This is a special purpose grant with specific objectives and distribution criteria
Past performance	<p>2011/12 audited financial outcomes</p> <ul style="list-style-type: none"> The indirect grant was allocated R258 million and expenditure was recorded at R77.8 million (31per cent) <p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> Number of households served with sanitation facilities per province were: <ul style="list-style-type: none"> Eastern Cape: 7 129 Free State: 936 KwaZulu-Natal: 5 920 Limpopo: 2 015 Mpumalanga: 372 Northern Cape: 320 North West: 2 533 Total: 19 225
Projected life	<ul style="list-style-type: none"> The grant will continue until 2015/16 and is subject to review
MTEF allocations	<ul style="list-style-type: none"> Direct transfer to municipalities Schedule 5B: <ul style="list-style-type: none"> 2013/14: R106.7 million, 2014/15: R113.1 million and 2015/16: R118.3 million Allocation-in-kind to municipalities (Schedule 6B): <ul style="list-style-type: none"> 2013/14: 100.5 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring national officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Administer the implementation of the indirect portion of the grant in accordance with service level agreements signed with municipalities on outputs and targets To approve the business plans submitted by municipalities Continuously monitor implementation and provide support to municipalities Submit monthly financial reports and quarterly non-financial reports to National Treasury Submit an annual evaluation report after the end of the financial year <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Municipalities are responsible for selection of the project areas that provide total coverage within available funds Municipalities shall be responsible for maintenance of the installed infrastructure For the indirect portion of the grant, municipalities must be part of the project steering committee, and will be part of the problem solving, progress monitoring, evaluation and reporting Submit monthly financial reports and quarterly non-financial reports

Rural Households Infrastructure Grant	
	<ul style="list-style-type: none"> • Municipalities to ensure efficient and effective use of resources • Municipalities will choose the appropriate technology to be implemented • Municipalities must ensure that groundwater protocols have been conducted to manage the potential of groundwater contamination from the on-site sanitation facilities
Process for approval of 2014/15 business plans	<ul style="list-style-type: none"> • Business plans with respect to the direct grant must be submitted by 30 September 2013 for the 2014 Medium Term Expenditure Framework (Does not apply to the indirect grant)

TRANSPORT GRANT

Public Transport Network Operations Grant	
Transferring department	<ul style="list-style-type: none"> Transport (Vote 37)
Strategic goal	<ul style="list-style-type: none"> 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
Grant purpose	<ul style="list-style-type: none"> To provide supplementary operational funding to municipalities operating approved Integrated Rapid Public Transport Network/ Integrated Public Transport Network (IRPTN or IPTN) services
Outcome statements	<ul style="list-style-type: none"> 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
Outputs	<ul style="list-style-type: none"> Number of average weekday passenger trips carried on Public Transport Network Operations (PTNO) Grant (PTNOG) funded systems
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 6: An efficient, competitive and responsive infrastructure network Outcome 9: A responsive, accountable, effective and efficient local government system
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses IRPTN or IPTN operational and related plans including financial modelling
Conditions	<ul style="list-style-type: none"> Projects must support an integrated network approach as defined in the PTS and in the NLTA 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 Projects must be based upon an IRPTN/IPTN operational plan (including detailed financial modelling) approved by the municipal council The grant can be used to fund security, station management, ticketing services, control centre operations, information and marketing, network management, vehicle financing, insurance and compensation for the economic rights of existing operators 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 Public Transport Operating Grant contributions. These direct operational costs consist of fuel, labour, operator administration and vehicle maintenance 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 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 Vehicle financing and compensation for the economic rights of existing operators can be funded up to 100 per cent in each phase Municipalities are required to establish specialist capacity to manage and monitor public transport system contracts and operations supported by this grant Payments will be conditional on the attainment of milestones specified in the grant allocation letter to each municipality
Allocation criteria	<ul style="list-style-type: none"> 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
Reason not incorporated in equitable share	<ul style="list-style-type: none"> 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
Past performance	<p>2011/12 audited financial outcomes</p> <ul style="list-style-type: none"> The PTNO Grant will be introduced in 2013/14 <p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> The PTNO Grant will be introduced in 2013/14
Projected life	<ul style="list-style-type: none"> Grant continues till 2015/16 subject to review
MTEF allocations	<ul style="list-style-type: none"> 2013/14: R881 million, 2014/15: R745 million and 2015/16: R862 million

Public Transport Network Operations Grant	
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with an agreed payment schedule approved by National Treasury
Responsibilities of transferring national officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Disburse PTNO Grant funds and monitor PTNO Grant expenditure • Monitor IRPTN implementation progress in line with the NLTA and the PTS • Verify reports from municipalities by conducting at least one site visit per annum • Allocate the funds based on stated priorities through an allocation mechanism agreed to by the DOT and National Treasury • Evaluate the performance of the grant annually <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Ensure that projects are implemented in line with what is reflected in the Integrated Development Plan of the municipality • Reporting is done correctly on the management of this grant and all relevant Division of Revenue Act requirements are adhered to • Provide budget proposals for the PTNO funding that are based on sound operational plans • Establish a dedicated project team to institute specialist capacity to manage and monitor operations and to plan expansions • Compile and submit data that indicates the efficiency and effectiveness of operational services including: <ul style="list-style-type: none"> – number of weekday passenger trips on PTNO Grant funded systems – number of municipal operational staff employed per bus in service – number of staff employed by each bus operating company per bus in service – planned/actual operational expenditure per passenger kilometre in the PTNO Grant funded system – the actual costs of procuring services and systems (security, station management, ticketing services, control centre operations, information and marketing, network management etc)
Process for approval of 2014/15 business plans	<ul style="list-style-type: none"> • Municipalities will be requested to submit budget proposals that are based on sound IRPTN operational plans by 15 July 2013 • These requests will be evaluated by the DoT and National Treasury • Municipal provisional allocations will be finalised by 29 November 2013

WATER AFFAIRS GRANT

Municipal Water Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Water Affairs (Vote 38)
Strategic goal	<ul style="list-style-type: none"> To assist Water Services Authorities (WSAs) to provide water supply services to consumers currently without services, particularly those in rural areas
Grant purpose	<ul style="list-style-type: none"> 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
Outcome statements	<ul style="list-style-type: none"> 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 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 Reduction in water losses and non-revenue water Access to water supply which is implemented in an appropriate and sustainable manner and which culminates in effective asset management
Outputs	<ul style="list-style-type: none"> Number of fully functional projects completed and signed off by the Mayor and Municipal Manager of the relevant WSA Number of people or households provided with a water supply service as a result of this grant Number of rural schemes that are functional in line with norms and standards as prescribed by the Water Services Act Number of communities benefiting Number of job opportunities created
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: A responsive, accountable, effective and efficient local government system
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Key activities Inputs
Conditions	<ul style="list-style-type: none"> All receiving municipalities will be required to conclude formal agreements with the Department of Water Affairs (DWA) prior to implementation of the project(s) 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 A technical team comprised of DWA, Department of Cooperative Governance (DCoG), Water Boards, WSA, and Municipal Infrastructure Support Agency (MISA) must approve all technical reports and business plans of any project to be funded where the cost of the project is in excess of R20 million Projects must have suitably approved technical reports before funds can be transferred DWA may require, as part of the process for approval of a business plan, that it be invited to participate on the municipality's bid specification and/or bid evaluation panels 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 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 Ensure adequate consumer and community participation, involvement and education for each project 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 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 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
Allocation criteria	<ul style="list-style-type: none"> Funding allocations have been prioritised within the 23 priority district municipalities identified by government, based on backlogs for poor households in each municipality identified in the 2011 Census
Reason not incorporated in equitable share	<ul style="list-style-type: none"> The grant is earmarked for specific projects aimed at eradicating backlogs in water and sanitation infrastructure
Past performance	<p>2011/12 audited financial outcome</p> <ul style="list-style-type: none"> New grant <p>2011/12 service delivery performance</p> <ul style="list-style-type: none"> New grant
Projected life	<ul style="list-style-type: none"> The grant will continue until 2015/16, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2013/14: R603 million, 2014/15: R1 059 million and 2015/16: R2 672 million

Municipal Water Infrastructure Grant	
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of transferring national officer and receiving officer	<p>Responsibilities of National Department</p> <ul style="list-style-type: none"> • Manage the overall grant • Facilitate the development of appropriate planning for each WSA and the development of a provincial plan to eradicate water supply backlogs • Evaluate and approve the technical reports and business plans for each project • Participate in the adjudication committee to appoint contractors of any project in excess of R20 million • Ensure that the conditions of the grant are met • Facilitate support to WSA when required to implement the projects • Agree with WSAs on outputs and targets • Submit quarterly progress and annual reports in a format agreed to the National Treasury <p>Responsibilities of the Water Boards</p> <ul style="list-style-type: none"> • Assist the DWA in managing the implementation of the overall programme • Carry out technical reports for some of the projects • Manage the implementation of some of the projects • Become Water Service Providers for the on-going management of water supply for projects where necessary • Assist WSA where necessary in managing water supply infrastructure • Develop adequate capacity, resources and skills to manage rural water supply schemes • Water Boards will submit monthly, quarterly and annual reports in the format prescribed by National Treasury and DWA <p>Responsibilities of Water Services Authorities</p> <ul style="list-style-type: none"> • Develop adequate integrated planning for water services • Compile an overall business plan for the entire WSA on how to address all water supply backlogs • Compile and submit business plans for each project • Manage the development and approve the technical reports for each project • Ensure adequate participation and involvement of the public in each of the projects, particularly in rural areas • Manage the project implementation and facilitation • Ensure on-going effective and efficient operations and maintenance of the projects once completed • Comply with all the funding conditions agreed to • Contribute to the financial costs of some of the projects
Process for approval of 2014/15 business plans	<ul style="list-style-type: none"> • WSA to submit business plan by 30 September 2013 • DWA to evaluate and ask for any changes if required by 31 October 2013 • 2013 business plan signed and formalised by 15 November 2013 must include: <ul style="list-style-type: none"> - specific support plans to enhance ability and capacity - a breakdown of the cost of projects to be implemented - clear time lines of when and where projects will be implemented

ANNEXURE 3

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B TO THE BILL): CURRENT GRANTS
(National and Municipal Financial Years)**

ANNEXURE W3

SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 5B TO THE BILL)
1 OF 2

		2014 African Nations Championship Host City Operating Grant		
		Column A		
Category	Municipality	2013/14 Main Allocation	Adjustments	2013/14 Adjusted Allocation
		R'000	R'000	R'000
FREE STATE				
A	MAN Mangaung		28 500	28 500
Total: Free State Municipalities			28 500	28 500
LIMPOPO				
B	LIM351 Blouberg			
B	LIM352 Aganang			
B	LIM353 Molemole			
B	LIM354 Polokwane		28 500	28 500
B	LIM355 Lepele-Nkumpi			
C	DC35 Capricorn District Municipality			
Total: Capricorn Municipalities			28 500	28 500
Total: Limpopo Municipalities			28 500	28 500
Unallocated		57 000	(57 000)	
National Total		120 000		120 000

ANNEXURE 3

SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 5B TO THE BILL)
2 OF 2

Category			Expanded Public Works Programme Intergrated Grant for Municipalities		
			Column A		
			2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
			R'000	R'000	R'000
FREE STATE					
B	FS161	Letsemeng	1 000		1 000
B	FS162	Kopanong	1 000		1 000
B	FS163	Mohokare	1 000		1 000
B	FS164	Naledi	1 000	600	1 600
C	DC16	Xhariep District Municipality	1 000		1 000
Total: Xhariep Municipalities			5 000	600	5 600
Total: Free State Municipalities			36 856	600	37 456
National Total			610 674	600	611 274

ANNEXURE 4

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5B TO THE BILL)

(National and Municipal Financial Years)

ANNEXURE 4

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(ANNEXURE REGARDING SCHEDULE 5B TO THE BILL) 1 OF 2**

Category			Municipal Infrastructure Grant		
			Column A		
			2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
			R'000	R'000	R'000
LIMPOPO					
B	LIM361	Thabazimbi	40 019		40 019
B	LIM362	Lephalale	41 353		41 353
B	LIM364	Mookgopong	15 633		15 633
B	LIM365	Modimolle	39 336		39 336
B	LIM366	Bela-Bela	20 365	2 471	22 836
B	LIM367	Mogalakwena	134 309		134 309
C	DC36	Waterberg District Municipality			
Total: Waterberg Municipalities			291 015	2 471	293 486
Total: Limpopo Municipalities			2 766 012	2 471	2 768 483
National Total			14 352 060	2 471	14 354 531

ANNEXURE 4

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(ANNEXURE REGARDING SCHEDULE 5B TO THE BILL) 2 OF 2**

Category			Municipality			Municipal Disaster Recovery Grant		
			Column A			2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
						R'000	R'000	R'000
EASTERN CAPE								
A	BUF	Buffalo City						
A	NMA	Nelson Mandela Bay			71 961		71 961	
B	EC101	Camdeboo						
B	EC102	Blue Crane Route						
B	EC103	Ikwezi						
B	EC104	Makana			8 724		8 724	
B	EC105	Ndlambe			15 353		15 353	
B	EC106	Sundays River Valley			2 396		2 396	
B	EC107	Baviaans						
B	EC108	Kouga			4 477		4 477	
B	EC109	Kou-Kamma			8 439		8 439	
C	DC10	Cacadu District Municipality						
Total: Cacadu Municipalities							39 389	39 389
Total: Eastern Cape Municipalities							111 350	111 350
KWAZULU-NATAL								
B	KZN241	Endumeni						
B	KZN242	Nqutu						
B	KZN244	Msinga						
B	KZN245	Umvoti			38		38	
C	DC24	Umzinyathi District Municipality						
Total: Umzinyathi Municipalities							38	38
Total: KwaZulu-Natal Municipalities							38	38
LIMPOPO								
B	LIM331	Greater Giyani						
B	LIM332	Greater Letaba						
B	LIM333	Greater Tzaneen						
B	LIM334	Ba-Phalaborwa						
B	LIM335	Maruleng			264		264	
C	DC33	Mopani District Municipality						
Total: Mopani Municipalities							264	264
Total: Limpopo Municipalities							264	264
WESTERN CAPE								
B	WC022	Witzenberg						
B	WC023	Drakenstein						
B	WC024	Stellenbosch						
B	WC025	Breede Valley						
B	WC026	Langeberg			104		104	
C	DC2	Cape Winelands District Municipality						
Total: Cape Winelands Municipalities							104	104
B	WC041	Kannaland						
B	WC042	Hessequa						
B	WC043	Mossel Bay						
B	WC044	George						
B	WC045	Oudtshoorn						
B	WC047	Bitou						
B	WC048	Knysna						
C	DC4	Eden District Municipality			6 584		6 584	
Total: Eden Municipalities							6 584	6 584
Total: Western Cape Municipalities							6 688	6 688
National Total							118 340	118 340

ANNEXURE 5

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 6B TO THE BILL)
(National and Municipal Financial Years)**

ANNEXURE 5

ALLOCATIONS-IN-KIND TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 6B TO THE BILL) 1 OF 2

Category		Municipality		Regional Bulk Infrastructure Grant		
				Column A		
				2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
				R'000	R'000	R'000
EASTERN CAPE						
B	EC131	Inxuba Yethemba				
B	EC132	Tsolwana				
B	EC133	Inkwanca				
B	EC134	Lukanji				
B	EC135	Intsika Yethu				
B	EC136	Emalahleni				
B	EC137	Engcobo				
B	EC138	Sakhisizwe				
C	DC13	Chris Hani District Municipality	165 024	7 115		172 139
Total: Chris Hani Municipalities			165 024	7 115		172 139
Total: Eastern Cape Municipalities			597 294	7 115		604 409
LIMPOPO						
B	LIM361	Thabazimbi				
B	LIM362	Lephalale				
B	LIM364	Mookgopong				
B	LIM365	Modimolle				
B	LIM366	Bela-Bela				
B	LIM367	Mogalakwena		21 585		21 585
C	DC36	Waterberg District Municipality	60 000			60 000
Total: Waterberg Municipalities			60 000	21 585		81 585
B	LIM471	Ephraim Mogale				
B	LIM472	Elias Motsoaledi				
B	LIM473	Makhuduthamaga				
B	LIM474	Fetakgomo				
B	LIM475	Greater Tubatse				
C	DC47	Sekhukhune District Municipality	381 311	26 000		407 311
Total: Sekhukhune Municipalities			381 311	26 000		407 311
Total: Limpopo Municipalities			582 000	47 585		629 585
NORTH WEST						
B	NW371	Moretele				
B	NW372	Madibeng	18 000	3 300		21 300
B	NW373	Rustenburg				
B	NW374	Kgetlengrivier				
B	NW375	Moses Kotane	200 000			200 000
C	DC37	Bojanala Platinum District Municipality				
Total: Bojanala Platinum Municipalities			218 000	3 300		221 300
Total: North West Municipalities			390 000	3 300		393 300
National Total			3 203 397	58 000		3 261 397

ANNEXURE 5

ALLOCATIONS-IN-KIND TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 6B TO THE BILL) 2 OF 2

Category		Municipality		Rural Households Infrastructure Grant		
				Column A		
				2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000		
EASTERN CAPE						
B	EC121	Mbhashe		663		663
B	EC122	Mnquma		2 006		2 006
B	EC123	Great Kei		2 448		2 448
B	EC124	Amahlathi		2 451		2 451
B	EC126	Ngqushwa				
B	EC127	Nkonkobe				
B	EC128	Nxuba				
C	DC12	Amathole District Municipality				
Total: Amathole Municipalities				7 568		7 568
B	EC153	Ngquza Hill				
B	EC154	Port St Johns				
B	EC155	Nyandeni		635		635
B	EC156	Mhlontlo		6 500		6 500
B	EC157	King Sabata Dalindyebo		6 500		6 500
C	DC15	O.R.Tambo District Municipality				
Total: O.R.Tambo Municipalities				13 635		13 635
B	EC441	Matatiele		6 500		6 500
B	EC442	Umzimvubu				
B	EC443	Mbizana		631		631
B	EC444	Ntabankulu				
C	DC44	Alfred Nzo District Municipality				
Total: Alfred Nzo Municipalities				7 131		7 131
Total: Eastern Cape Municipalities				28 334		28 334
FREE STATE						
B	FS191	Setsoto				
B	FS192	Dihlabeng				
B	FS193	Nketoana				
B	FS194	Maluti-a-Phofung		2 225		2 225
B	FS195	Phumelela				
B	FS196	Mantsopa				
C	DC19	Thabo Mofutsanyana District Municipality				
Total: Thabo Mofutsanyana Municipalities				2 225		2 225
Total: Free State Municipalities				2 225		2 225

ANNEXURE 5

ALLOCATIONS-IN-KIND TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 6B TO THE BILL) 2 OF 2

Category			Rural Households Infrastructure Grant		
			Column A		
			2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
Municipality			R'000	R'000	R'000
KWAZULU-NATAL					
A	ETH	eThekweni			
B	KZN211	Vulamehlo			
B	KZN212	Umdoni			
B	KZN213	Umzumbe		7 000	7 000
B	KZN214	uMuziwabantu			
B	KZN215	Ezingoleni			
B	KZN216	Hibiscus Coast			
C	DC21	Ugu District Municipality			
Total: Ugu Municipalities				7 000	7 000
B	KZN221	uMshwathi		4 907	4 907
B	KZN222	uMngeni			
B	KZN223	Mpofana			
B	KZN224	Impendle			
B	KZN225	Msunduzi			
B	KZN226	Mkhambathini			
B	KZN227	Richmond			
C	DC22	Umgungundlovu District Municipality			
Total: Umgungundlovu Municipalities				4 907	4 907
B	KZN232	Emnambithi/Ladysmith		5 559	5 559
B	KZN233	Indaka			
B	KZN234	Umtshezi			
B	KZN235	Okhahlamba		6 000	6 000
B	KZN236	Imbabazane			
C	DC23	Uthukela District Municipality			
Total: Uthukela Municipalities				11 559	11 559
B	KZN252	Newcastle			
B	KZN253	Emadlangeni			
B	KZN254	Dannhauser		1 022	1 022
C	DC25	Amajuba District Municipality			
Total: Amajuba Municipalities				1 022	1 022

ANNEXURE 5

ALLOCATIONS-IN-KIND TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 6B TO THE BILL) 2 OF 2

Category		Municipality		Rural Households Infrastructure Grant		
				Column A		
				2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
				R'000	R'000	R'000
B	KZN261	eDumbe				
B	KZN262	uPhongolo				
B	KZN263	Abaqulusi				
B	KZN265	Nongoma		7 000	7 000	
B	KZN266	Ulundi				
C	DC26	Zululand District Municipality				
Total: Zululand Municipalities				7 000	7 000	
B	KZN271	Umhlabuyalingana		5 121	5 121	
B	KZN272	Jozini				
B	KZN273	The Big 5 False Bay				
B	KZN274	Hlabisa		4 760	4 760	
B	KZN275	Mtubatuba				
C	DC27	Umkhanyakude District Municipality				
Total: Umkhanyakude Municipalities				9 881	9 881	
B	KZN281	Mfolozi				
B	KZN282	uMhlathuze		1 609	1 609	
B	KZN283	Ntambanana				
B	KZN284	uMlalazi		4 380	4 380	
B	KZN285	Mthonjaneni				
B	KZN286	Nkandla		3 121	3 121	
C	DC28	uThungulu District Municipality				
Total: Uthungulu Municipalities				9 110	9 110	
B	KZN291	Mandeni				
B	KZN292	KwaDukuza				
B	KZN293	Ndwedwe		3 825	3 825	
B	KZN294	Maphumulo				
C	DC29	iLembe District Municipality				
Total: iLembe Municipalities				3 825	3 825	
Total: KwaZulu-Natal Municipalities				54 304	54 304	

ANNEXURE 5

ALLOCATIONS-IN-KIND TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 6B TO THE BILL) 2 OF 2

Category			Rural Households Infrastructure Grant		
			Column A		
			2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
			R'000	R'000	R'000
LIMPOPO					
B	LIM331	Greater Giyani		1 112	1 112
B	LIM332	Greater Letaba		930	930
B	LIM333	Greater Tzaneen		891	891
B	LIM334	Ba-Phalaborwa			
B	LIM335	Maruleng			
C	DC33	Mopani District Municipality			
Total: Mopani Municipalities				2 933	2 933
B	LIM341	Musina			
B	LIM342	Mutale			
B	LIM343	Thulamela		1 853	1 853
B	LIM344	Makhado		1 599	1 599
C	DC34	Vhembe District Municipality			
Total: Vhembe Municipalities				3 452	3 452
B	LIM351	Blouberg		1 305	1 305
B	LIM352	Aganang		630	630
B	LIM353	Molemole			
B	LIM354	Polokwane			
B	LIM355	Lepele-Nkumpi		1 214	1 214
C	DC35	Capricorn District Municipality			
Total: Capricorn Municipalities				3 149	3 149
B	LIM361	Thabazimbi			
B	LIM362	Lephalale			
B	LIM364	Mookgopong			
B	LIM365	Modimolle			
B	LIM366	Bela-Bela			
B	LIM367	Mogalakwena		826	826
C	DC36	Waterberg District Municipality			
Total: Waterberg Municipalities				826	826
B	LIM471	Ephraim Mogale			
B	LIM472	Elias Motsoaledi		503	503
B	LIM473	Makhuduthamaga			
B	LIM474	Fetakgomo			
B	LIM475	Greater Tubatse		856	856
C	DC47	Sekhukhune District Municipality			
Total: Sekhukhune Municipalities				1 359	1 359
Total: Limpopo Municipalities				11 719	11 719

ANNEXURE 5

ALLOCATIONS-IN-KIND TO MUNICIPALITIES (ANNEXURE REGARDING SCHEDULE 6B TO THE BILL) 2 OF 2

Category		Municipality		Rural Households Infrastructure Grant		
				Column A		
				2013/14 Main Allocation	Adjustment	2013/14 Adjusted Allocation
		R'000	R'000	R'000		
NORTHERN CAPE						
B	NC451	Joe Morolong		994		994
B	NC452	Ga-Segonyana				
B	NC453	Gamagara				
C	DC45	John Taolo Gaetsewe District Municipality				
Total: John Taolo Gaetsewe Municipalities				994		994
Total: Northern Cape Municipalities				994		994
NORTH WEST						
B	NW371	Moretele		1 450		1 450
B	NW372	Madibeng		84		84
B	NW373	Rustenburg				
B	NW374	Kgetlengrivier				
B	NW375	Moses Kotane				
C	DC37	Bojanala Platinum District Municipality				
Total: Bojanala Platinum Municipalities				1 534		1 534
B	NW381	Ratlou		1 082		1 082
B	NW382	Tswaing				
B	NW383	Mafikeng				
B	NW384	Ditsobotla				
B	NW385	Ramotshere Moiloa		347		347
C	DC38	Ngaka Modiri Molema District Municipality				
Total: Ngaka Modiri Molema Municipalities				1 429		1 429
Total: North West Municipalities				2 963		2 963
National Total				100 539		100 539

APPENDIX 1

**APPENDIX TO SCHEDULE 5A TO THE BILL: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES: TARGETS AND ALLOCATIONS
PER PROVINCIAL DEPARTMENT**

APPENDIX 1

APPENDIX 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 Main Allocation R'000	Adjustments R'000
EASTERN CAPE				
Human Settlements	5 249	3 000		3 000
Roads and Public Works	1 213	65 082		65 082
Health	638	3 000		3 000
Education	2 211	3 000		3 000
Economic Development and Environmental Affairs	10	550		550
Agriculture and Rural Development	467	550		550
Sport, Recreation, Arts and Culture	157	550		550
Social Development	-	-		-
Transport	3 080	3 845		3 845
Total: Eastern Cape	13 025	79 577	-	79 577
FREE STATE				
Human Settlements	-	-		-
Co-operative Governance and Traditional Affairs	-	-		-
Public Works	132	7 102		7 102
Police, Roads and Transport	1 327	3 000		3 000
Education	1 056	3 000		3 000
Health	370	3 249		3 249
Social Development	-	-		-
Economic Development, Tourism and Environmental Affairs	10	550		550
Sport, Arts, Culture and Recreation	87	550		550
Agriculture and Rural Development	305	550		550
Total: Free State	3 287	18 001	-	18 001
GAUTENG				
Local Government and Housing	9 147	3 000		3 000
Education	1 203	3 000		3 000
Health	302	3 000		3 000
Infrastructure Development	56	3 000		3 000
Roads and Transport	1 432	3 000		3 000
Agriculture and Rural Development	124	606		606
Community Safety	-	-		-
Sport, Arts, Culture and Recreation	-	-		-
Total: Gauteng	12 264	15 606	-	15 606
KWAZULU-NATAL				
Human Settlements	6 668	3 000		3 000
Public Works	56	3 000		3 000
Education	2 825	3 000		3 000
Health	932	3 000		3 000
Transport	4 834	88 487		88 487
Sport & Recreation	213	550		550
Economic Development and Tourism	-	-		-
Agriculture, Environmental Affairs and Rural Development	436	550		550
Arts, Culture and Tourism	10	550		550
Total: KwaZulu-Natal	15 974	102 137	-	102 137
LIMPOPO				
Local Government and Housing	3 392	3 000		3 000
Education	2 132	3 000		3 000
Health	652	3 000		3 000
Public Works	56	3 000		3 000
Roads and Transport	3 015	25 972		25 972
Economic Development, Environment and Tourism	10	550		550
Agriculture	624	10 298		10 298
Sport, Arts and Culture	134	550		550
Total: Limpopo	10 015	49 370	-	49 370

APPENDIX 1

APPENDIX 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 Main Allocation R'000	Adjustments R'000
MPUMALANGA				
Public Works, Roads and Transport	3 475	20 691		20 691
Health & Social Development	298	3 000		3 000
Education	1 189	3 000		3 000
Co-operative Governance and Traditional Affairs	-	-		-
Agriculture, Rural Development and Land Administration	379	5 619		5 619
Culture, Sports & Recreation	99	550		550
Economic Development and Planning	27	1 431		1 431
Total: Mpumalanga	5 467	34 291	-	34 291
NORTHERN CAPE				
Roads and Public Works	1 110	3 000		3 000
Health	275	3 000		3 000
Education	785	5 845		5 845
Agriculture and Land reform	798	550		550
Arts and Culture	71	550		550
Environment and nature conservation	10	550		550
Economic Development and Tourism	10	550	1 000	1 550
Total: Northern Cape	3 059	14 045	1 000	15 045
NORTH WEST				
Public Works, Roads and Transport	1 635	13 166		13 166
Human Settlements	2 439	3 000		3 000
Economic Development, Environment and Tourism	10	550		550
Agriculture and Rural Development	367	550		550
Total: North West	4 451	17 266	-	17 266
WESTERN CAPE				
Human Settlements	3 973	3 000		3 000
Education	1 005	3 000		3 000
Health	348	3 000		3 000
Culture Affairs and Sport	110	550		550
Transport and Public Works	1 309	14 971		14 971
Environmental Affairs and Development Planning	10	550		550
Agriculture	230	550		550
Total: Western Cape	6 985	25 621	-	25 621
Unallocated				
Grand Total	74 527	355 914	1 000	356 914

1. Correction for the Northern Cape to reflect the correct department name for Economic Development and Tourism which receives an allocation from this grant instead of Finance, Economic Affairs and Tourism

APPENDIX 2

**APPENDIX TO SCHEDULE 5A: BREAKDOWN OF HEALTH FACILITY REVITALISATION GRANT: ALLOCATIONS PER GRANT COMPONENT
PER PROVINCE**

APPENDIX 2

APPENDIX TO SCHEDULE 5A: BREAKDOWN OF HEALTH FACILITY REVITALISATION GRANT:
ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

Health (Vote 16)	Health Facility Revitalisation		
Province/Components	Financial Year		
	2013/14 Main Allocation R'000	Adjustments R'000	2012/13 Adjusted allocation R'000
(a) Health infrastructure component			
Eastern Cape	216 816		216 816
Free State	67 250		67 250
Gauteng	86 816		86 816
KwaZulu-Natal	373 969	110 062	484 031
Limpopo	211 961		211 961
Mpumalanga	58 509	212	58 721
Northern Cape	90 154	57 000	147 154
North West	67 863		67 863
Western Cape	122 296		122 296
Total	1 295 634	167 274	1 462 908
(b) Hospital revitalisation component			
Eastern Cape	336 719		336 719
Free State	469 470		469 470
Gauteng	677 371		677 371
KwaZulu-Natal	560 104		560 104
Limpopo	230 211		230 211
Mpumalanga	225 000		225 000
Northern Cape	331 274		331 274
North West	428 258		428 258
Western Cape	493 526		493 526
Total	3 751 933	-	3 751 933
(c) Nursing colleges and schools component			
Eastern Cape	9 257		9 257
Free State	2 242		2 242
Gauteng	6 846		6 846
KwaZulu-Natal	28 396		28 396
Limpopo	15 270		15 270
Mpumalanga	-		-
Northern Cape	-		-
North West	-		-
Western Cape	13 964		13 964
Total	75 975	-	75 975
Unallocated	-	-	-
Grand Total	5 123 542	167 274	5 290 816

APPENDIX 3

**APPENDIX TO SCHEDULE 6A: BREAKDOWN OF NATIONAL HEALTH GRANT: ALLOCATIONS PER GRANT COMPONENT
PER PROVINCE**

APPENDIX 3

**APPENDIX TO SCHEDULE 6A: BREAKDOWN OF NATIONAL HEALTH GRANT: ALLOCATIONS
PER GRANT COMPONENT PER PROVINCE**

Health (Vote 16)	National Health Grant		
Province/Components/Sub-components	Financial Year		
	2013/14 Main Allocation R'000	Adjustments R'000	2012/13 Adjusted allocation R'000
Health Facility Revitalisation Grant Component	807 025	-367 000	440 025
<i>of which:</i>			
(a) Health infrastructure sub-component			
Eastern Cape	52 000	-31 200	20 800
Free State	72 000	-43 200	28 800
Gauteng	22 000	-13 200	8 800
KwaZulu-Natal	43 000		43 000
Limpopo	72 000	-43 200	28 800
Mpumalanga	57 000	-34 200	22 800
Northern Cape	14 000	-8 400	5 600
North West	52 000		52 000
Western Cape	17 000	-10 200	6 800
Total	401 000	-183 600	217 400
(b) Hospital revitalisation sub-component			
Eastern Cape	72 000	-36 000	36 000
Free State	10 000	-5 000	5 000
Gauteng	70 000	-38 295	31 705
KwaZulu-Natal	15 000		15 000
Limpopo	80 000	-40 000	40 000
Mpumalanga	35 000	-17 500	17 500
Northern Cape	20 000		20 000
North West	20 000	-10 000	10 000
Western Cape	10 000	-5 000	5 000
Total	332 000	-151 795	180 205
(c) Nursing colleges and schools sub-component			
Eastern Cape	11 000	-5 500	5 500
Free State	12 000	-6 000	6 000
Gauteng	10 000	-5 000	5 000
KwaZulu-Natal	-	-	-
Limpopo	3 000	-1 500	1 500
Mpumalanga	14 123	-7 062	7 061
Northern Cape	10 816		10 816
North West	13 086	-6 543	6 543
Western Cape	-	-	-
Total	74 025	-31 605	42 420
National Health Insurance Grant Component	291 000	-	291 000
<i>of which:</i>			
(a) National health insurance sub-component			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	291 000		291 000
Total	291 000	-	291 000
Unallocated	291 000	-	291 000
Grand Total	1 098 025	-367 000	731 025

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