

REPUBLIC OF SOUTH AFRICA

DIVISION OF REVENUE BILL

*(As introduced in the National Assembly (proposed section 76(1)); explanatory summary of
the Bill published in Government Gazette No. 38458 of 13 February 2015)
(The English text is the official text of the Bill)*

(MINISTER OF FINANCE)

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BILL

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2015/16 financial year, the determination of each province's equitable share and allocations to provinces, local government and municipalities from national government's equitable share and the responsibilities of all three spheres pursuant to such division and allocations; and to provide for matters connected therewith.

PREAMBLE

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

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

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

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

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CHAPTER 1

INTERPRETATION AND OBJECTS OF ACT

Interpretation

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

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

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

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

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

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

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

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

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

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

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

“**framework**” means the conditions and other information in respect of a conditional allocation published in terms of section 16 or 26;

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

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

“**Integrated City Development Grant**” means the Integrated City Development Grant referred to in Part B of Schedule 4;

“**Integrated National Electrification Programme Grant**” means the Integrated National Electrification Programme Grant referred to in Part B of Schedule 5 or Part B of Schedule 6;

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

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

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

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

“**Maths, Science and Technology Grant**” means the Maths, Science and Technology Grant referred to in Part A of Schedule 5;

“**medium term expenditure framework**” means a budgeting framework applied by the National Treasury which—

(a) translates government policies and plans into a multi-year spending plan; and

(b) promotes transparency, accountability and effective public financial management;

“**metropolitan municipality**” means a metropolitan municipality as defined in section 1 of the Municipal Structures Act;

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

- “Municipal Structures Act”** means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- “Municipal Systems Act”** means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);
- “Neighbourhood Development Partnership Grant”** means the Neighbourhood Development Partnership Grant referred to in Part B of Schedule 5 or Part B of Schedule 6; 5
- “organ of state”** means an organ of state as defined in section 239 of the Constitution;
- “overpayment”** means the transfer of more than the allocated amount of an allocation or the transfer of an allocation not in accordance with a payment schedule; 10
- “payment schedule”** means a schedule which sets out—
- (a) the amount of each transfer of an equitable share or any conditional allocation in terms of this Act to be transferred to a province or municipality in the 2015/16 financial year; 15
- (b) the date on which each transfer must be paid; and
- (c) to whom, and to which bank account, each transfer must be paid;
- “prescribe”** means prescribe by regulation in terms of section 38;
- “primary bank account”** in relation to— 20
- (a) a province, means a bank account of the Provincial Revenue Fund, envisaged in section 21(2) of the Public Finance Management Act and which the accounting officer of the provincial treasury has certified to the National Treasury; or
- (b) a municipality, means the bank account of the municipality as determined in terms of section 8 of the Municipal Finance Management Act; 25
- “Provincial Roads Maintenance Grant”** means the Provincial Roads Maintenance Grant referred to in Part A of Schedule 4;
- “Public Finance Management Act”** means the Public Finance Management Act, 1999 (Act No. 1 of 1999); 30
- “Public Transport Network Grant”** means the Public Transport Network Grant referred to in Part B of Schedule 5;
- “Public Transport Operations Grant”** means the Public Transport Operations Grant referred to in Part A of Schedule 4;
- “quarter”** means, in relation to— 35
- (a) a national or provincial department, the period from—
- (i) 1 April to 30 June;
- (ii) 1 July to 30 September;
- (iii) 1 October to 31 December; or
- (iv) 1 January to 31 March; or 40
- (b) a municipality—
- (i) 1 July to 30 September;
- (ii) 1 October to 31 December;
- (iii) 1 January to 31 March; or
- (iv) 1 April to 30 June; 45
- “receiving officer”** means, in relation to—
- (a) a Schedule 4, 5 or 7 allocation transferred to a province, the accounting officer of the provincial department which receives that allocation or a portion thereof for expenditure via an appropriation from its Provincial Revenue Fund; or 50
- (b) a Schedule 4, 5 or 7 allocation transferred or provided in kind to a municipality, the accounting officer of the municipality;
- “receiving provincial department”** in relation to a Schedule 4, 5 or 7 allocation transferred to a province, means the provincial department which receives that allocation or a portion thereof for expenditure via an appropriation from its Provincial Revenue Fund; 55
- “School Infrastructure Backlogs Grant”** means the School Infrastructure Backlogs Grant referred to in Part A of Schedule 6;
- “this Act”** includes any framework or allocation published, or any regulation made, in terms of this Act; 60
- “transferring officer”** means the accounting officer of a national department that transfers a Schedule 4, 5 or 7 allocation to a province or municipality or spends a Schedule 6 allocation on behalf of a province or municipality;

“Urban Settlements Development Grant” means the Urban Settlements Development Grant referred to in Part B of Schedule 4.

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

Objects of Act 5

2. The objects of this Act are—
- (a) as required by section 214(1) of the Constitution, to provide for—
 - (i) the equitable division of revenue raised nationally among the three spheres of government;
 - (ii) the determination of each province’s equitable share of the provincial share of that revenue; 10
 - (iii) other allocations to provinces, local government or municipalities from the national government’s share of that revenue and conditions on which those allocations are made;
 - (b) to promote predictability and certainty in respect of all allocations to provinces and municipalities, in order that provinces and municipalities may plan their budgets over a multi-year period and thereby promote better coordination between policy, planning and budgeting; and 15
 - (c) promote transparency and accountability in the resource allocation process, by ensuring that all allocations, except Schedule 6 allocations, are reflected on the budgets of provinces and municipalities and the expenditure of conditional allocations is reported on by the receiving provincial departments and municipalities. 20

CHAPTER 2

EQUITABLE SHARE ALLOCATIONS 25

Equitable division of revenue raised nationally among spheres of government

3. (1) Revenue raised nationally in respect of the 2015/16 financial year must be divided among the national, provincial and local spheres of government as set out in Column A of Schedule 1.

(2) An envisaged division of revenue anticipated to be raised in respect of the 2016/17 financial year and the 2017/18 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 1. 30

Equitable division of provincial share among provinces

4. (1) Each province’s equitable share of the provincial share of revenue raised nationally in respect of the 2015/16 financial year is set out in Column A of Schedule 2. 35

(2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the 2016/17 financial year and the 2017/18 financial year, and which is subject to the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 2. 40

(3) The National Treasury must transfer each province’s equitable share referred to in subsection (1) to the corporation for public deposits account of the province in accordance with the payment schedule determined in terms of section 23.

Equitable division of local government share among municipalities

5. (1) Each municipality’s equitable share of local government’s share of revenue raised nationally in respect of the 2015/16 financial year is set out in Column A of Schedule 3. 45

(2) An envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the 2016/17 financial year and the 2017/18 financial year, and which is subject to the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3. 50

(3) The National Treasury must transfer each municipality’s equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on

6 July 2015, 27 November 2015 and 18 March 2016, in accordance with the payment schedule determined in terms of section 23.

Shortfalls and excess revenue

6. (1) If the actual revenue raised nationally in respect of the 2015/16 financial year falls short of the anticipated revenue set out in Column A of Schedule 1, the national government bears the shortfall. 5

(2) If the actual revenue raised nationally in respect of the 2015/16 financial year exceeds the anticipated revenue set out in Column A of Schedule 1, the excess accrues to the national government, and may be used to reduce borrowing or pay debt as part of its share of revenue raised nationally. 10

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

- (a) national departments; or 15
- (b) provinces or municipalities, as a conditional or an unconditional allocation.

CHAPTER 3

CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

Part 1

Conditional allocations 20

Conditional allocations to provinces

7. (1) Conditional allocations to provinces for the 2015/16 financial year from the national government's share of revenue raised nationally are set out in—

- (a) Part A of Schedule 4, specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets; 25
- (b) Part A of Schedule 5, specifying specific-purpose allocations to provinces;
- (c) Part A of Schedule 6, specifying allocations-in-kind to provinces for designated special programmes; and
- (d) Part A of Schedule 7, specifying funds that are not allocated to specific provinces that may be released to provinces to fund immediate disaster response. 30

(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the 2016/17 financial year and the 2017/18 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 35

Conditional allocations to municipalities

8. (1) Conditional allocations to local government in respect of the 2015/16 financial year from the national government's share of revenue raised nationally are set out in—

- (a) Part B of Schedule 4, specifying allocations to municipalities to supplement the funding of functions funded from municipal budgets; 40
- (b) Part B of Schedule 5, specifying specific-purpose allocations to municipalities;
- (c) Part B of Schedule 6, specifying allocations-in-kind to municipalities for designated special programmes; and 45
- (d) Part B of Schedule 7, specifying funds that are not allocated to specific municipalities that may be released to municipalities to fund immediate disaster response.

(2) An envisaged division of conditional allocations to local government from the national government's share of revenue anticipated to be raised nationally for the 2016/17 financial year and the 2017/18 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 50

(3) If approved by the National Treasury after consultation with the national Department of Transport, allocations for specific transport contracts for capital projects from the envisaged conditional allocations for the Public Transport Network Grant listed in Column B of Part B of Schedule 5, may not be altered downwards in the Division of Revenue Acts for the 2016/17 financial year and 2017/18 financial year. 5

(4) (a) A municipality may only with the approval of the National Treasury pledge, offer as security or commit to a person or institution any envisaged conditional allocation to the municipality for the 2016/17 financial year and the 2017/18 financial year, for the purpose of securing a loan or any other form of financial or other support from that person or institution. 10

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

(i) notify the relevant transferring officer of the approval sought by a municipality and that the officer may submit comment to the National Treasury regarding the approval sought, within five working days after notification or such longer period as the National Treasury may approve; and 15

(ii) consider any comment so submitted by the officer.

(c) A municipality must report on any project pledged to be partially or fully funded in terms of paragraph (a) in the format and on the dates determined by the National Treasury.

Part 2 20

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

Duties of transferring officer in respect of Schedule 4 allocations

9. (1) The transferring officer of a Schedule 4 allocation must—

(a) ensure that transfers to all provinces and municipalities are—

(i) deposited only into the primary bank account of the relevant province or municipality; and 25

(ii) made in accordance with the payment schedule determined in terms of section 23, unless allocations are withheld or stopped in terms of section 18 or 19;

(b) monitor information on financial and non-financial performance of programmes partially or fully funded by an allocation in Part A of Schedule 4, in accordance with subsection (2) and the applicable framework; 30

(c) monitor information on financial and non-financial performance of the Urban Settlements Development Grant and Integrated City Development Grant against the capital budget and the service delivery and budget implementation plan; 35

(d) comply with the applicable framework;

(e) submit a monthly provincial report on infrastructure expenditure partially or fully funded by the allocation within 30 days after the end of each month to the National Treasury, in the format determined by the National Treasury; 40

(f) submit a quarterly non-financial performance report within 45 days after the end of each quarter to the National Treasury in terms of the applicable framework; and

(g) evaluate the performance of programmes funded or partially funded by the allocation and the submission of such evaluations to the National Treasury— 45

(i) in respect of a provincial department, within four months after the end of the 2015/16 financial year of the provincial department; and

(ii) in respect of a municipality, within four months after the end of the 2015/16 financial year of the municipality.

(2) Any monitoring programme or system that is utilised to monitor information on financial and non-financial performance of a programme partially or fully funded by a Schedule 4 allocation must— 50

(a) be approved by the National Treasury;

(b) not impose any excessive administrative responsibility on receiving officers beyond the provision of standard management information; 55

(c) be compatible and integrated with and not unnecessarily duplicate other relevant national, provincial and local systems; and

(d) support compliance with section 11(2).

(3) A transferring officer may only transfer the Urban Settlements Development Grant to a recipient metropolitan municipality, if the municipality has submitted a built environment performance plan in terms of section 14(1).

Duties of transferring officer in respect of Schedule 5 or 6 allocations

- 10.** (1) The transferring officer of a Schedule 5 or 6 allocation must— 5
- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that—
- (i) any monitoring programme or system that is utilised, is compatible and integrated with and does not duplicate other relevant national, provincial and local systems; and 10
- (ii) in respect of a Schedule 5 allocation, any plans requested in respect of how allocations will be utilised by a province or municipality, as the case may be, have been approved before the start of the financial year.
- (b) in respect of Schedule 5 allocations—
- (i) transfer funds only after receipt of all information required to be submitted by the receiving officer in terms of this Act and submission of all relevant information to the National Treasury; 15
- (ii) transfer funds in accordance with the payment schedule determined in terms of section 23, unless allocations are withheld or stopped in terms of section 18 or 19; and 20
- (iii) deposit funds only into the primary bank account of the relevant province or municipality; and
- (c) ensure that all other provisions of this Act and the relevant framework for the transfer of the allocation are complied with.
- (2) The transferring officer must submit all relevant information and documentation referred to in subsection (1)(a) to the National Treasury within 14 days after this Act takes effect. 25
- (3) A transferring officer, who has not complied with subsection (1), must transfer the allocation in the manner instructed by the National Treasury, including transferring the allocation as an unconditional allocation. 30
- (4) Before making the first transfer of any allocation in terms of subsection (1)(b), the transferring officer must take note of any notice in terms of section 31(1) containing the details of the relevant primary bank accounts.
- (5) The transferring officer of a Schedule 5 allocation to a municipality is responsible for monitoring financial and non-financial performance information on programmes funded by the allocation. 35
- (6) The transferring officer of a Schedule 5 or 6 allocation must, as part of the reporting envisaged in section 40(4)(c) of the Public Finance Management Act, submit information, in the format determined by the National Treasury, for the month in question, and for the 2015/16 financial year up to the end of that month, on— 40
- (a) the amount of funds transferred to a province or municipality;
- (b) the amount of funds for any province or municipality withheld or stopped in terms of section 18 or 19, the reasons for the withholding or stopping and the steps taken by the transferring officer and the receiving officer to deal with the matters or causes that necessitated the withholding or stopping of the payment; 45
- (c) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 allocation;
- (d) the actual expenditure incurred by the transferring officer in respect of a Schedule 6 allocation; 50
- (e) any matter or information that may be required by the relevant framework for the particular allocation; and
- (f) such other matters as the National Treasury may determine.
- (7) A transferring officer must submit to the National Treasury—
- (a) a monthly provincial report on infrastructure expenditure partially or fully funded by the Health Facility Revitalisation Grant, National Health Grant, School Infrastructure Backlogs Grant or Maths, Science and Technology Grant within 22 days after the end of each month, in the format determined by the National Treasury; and 55

- (b) a quarterly performance report of all programmes partially or fully funded by a Schedule 5 or 6 allocation within 45 days after the end of each quarter, in accordance with the relevant framework.
- (8) The transferring officer must evaluate the performance of all programmes partially or fully funded by a Schedule 5 or 6 allocation and submit such evaluations to the National Treasury—
 - (a) in respect of a provincial department, within four months after the end of the 2015/16 financial year of the provincial department; and
 - (b) in respect of a municipality, within four months after the end of the 2015/16 financial year of the municipality.
- (9) The transferring officer for the Public Transport Network Grant, Neighbourhood Development Partnership Grant or Integrated National Electrification Programme Grant to a metropolitan municipality—
 - (a) may only transfer the grant if the municipality has submitted a built environment performance plan in terms of section 14(1);
 - (b) must take into account that built environment performance plan when monitoring and evaluating the performance of the municipality and assessing envisaged plans and allocations for the municipality.

Duties of receiving officer in respect of Schedule 4 allocations

- 11. (1) The receiving officer of a Schedule 4 allocation is responsible for—
 - (a) complying with the relevant framework for the Schedule 4 allocation; and
 - (b) the manner in which the Schedule 4 allocation received from a transferring officer is allocated and spent.
- (2) The receiving officer of a municipality must—
 - (a) ensure and certify to the National Treasury that the municipality—
 - (i) indicates each programme partially or fully funded by a Schedule 4 allocation in its annual budget and that the Schedule 4 allocation is specifically and exclusively appropriated in that budget for utilisation only according to the purpose of the allocation; and
 - (ii) makes public, in terms of section 21A of the Municipal Systems Act, the conditions and other information in respect of the allocation, to facilitate performance measurement and the use of required inputs and outputs;
 - (b) when submitting the municipality's statements in terms of section 71 of the Municipal Finance Management Act for September 2015, December 2015, March 2016 and June 2016, report to the transferring officer, the relevant provincial treasury and the National Treasury—
 - (i) in respect of the Urban Settlements Development Grant and the Integrated City Development Grant, on financial performance against its capital budget and the measures defined in its service delivery and budget implementation plan; and
 - (ii) in respect of any other Schedule 4 allocation, on financial performance of programmes partially or fully funded by the allocation; and
 - (c) within 30 days after the end of each quarter, report to the transferring officer and the National Treasury—
 - (i) in respect of the Urban Settlements Development Grant and the Integrated City Development Grant, on non-financial performance for that quarter against the measures defined in its service delivery and budget implementation plan; and
 - (ii) in respect of any other Schedule 4 allocation, on non-financial performance of programmes partially or fully funded by the allocation.
- (3) The National Treasury must make the report submitted to it in terms of subsection (2)(b) or (c) available to the transferring officer of the Urban Settlements Development Grant, Public Transport Network Grant and Integrated National Electrification Programme Grant and the accounting officer of any other national department having responsibilities relating to the applicable allocation.
- (4) The receiving officer of a provincial department must submit to the relevant provincial treasury and the transferring officer—
 - (a) as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports on financial and non-financial performance of programmes partially or fully funded by a Schedule 4 allocation;

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

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

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

- (a) in respect of a provincial department, after the end of the 2015/16 financial year of the provincial department; and 15
- (b) in respect of a municipality, after the end of the 2015/16 financial year of the municipality.

Duties of receiving officer in respect of Schedule 5 or 7 allocations

12. (1) The receiving officer of a Schedule 5 or 7 allocation must ensure compliance with the relevant framework. 20

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

- (a) a province, as part of the report required in section 40(4)(c) of the Public Finance Management Act, report on the matters referred to in subsection (3) and submit a copy of that report to the relevant provincial treasury and the transferring officer; 25
- (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant transferring officer; and 30
- (c) a province or municipality, submit a quarterly non-financial performance report within 30 days after the end of each quarter to the transferring officer and the relevant provincial treasury.

(3) A report for a province in terms of subsection (2)(a) must set out for the month in question and for the 2015/16 financial year up to the end of the month— 35

- (a) the amount received by the province;
- (b) the amount of funds stopped or withheld in terms of section 18 or 19 and the reason for the stopping or withholding;
- (c) the actual expenditure by the province in respect of Schedule 5 and 7 allocations; 40
- (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or to assist the province in implementing the programme;
- (e) the available figures regarding the expenditure by a public entity referred to in paragraph (d); 45
- (f) the extent of compliance with this Act and with the conditions of the allocation provided for in its framework, based on the available information at the time of reporting;
- (g) an explanation of any material difficulties experienced by the province regarding an allocation which has been received and a summary of the steps taken to deal with such difficulties; 50
- (h) any matter or information that may be determined in the framework for the allocation; and
- (i) such other matters and information as the National Treasury may determine.

(4) A report for a municipality in terms of subsection (2)(b) must set out for the month in question and for the 2015/16 financial year up to the end of the month— 55

- (a) the amount received by the municipality;
- (b) the amount of funds stopped or withheld in terms of section 18 or 19 and the reason for the stopping or withholding;
- (c) the extent of compliance with this Act and with the conditions of the allocation or part of the allocation provided for in its framework; 60

- (d) an explanation of any material problems experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such problems;
 - (e) any matter or information that may be determined in the framework for the allocation; and
 - (f) such other matters and information as the National Treasury may determine.
- (5) The receiving officer must evaluate the financial and non-financial performance of the provincial department or municipality, as the case may be, in respect of programmes partially or fully funded by a Schedule 5 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within one month—
- (a) in respect of a provincial department, after the end of the 2015/16 financial year of the provincial department; and
 - (b) in respect of a municipality, after the end of the 2015/16 financial year of the municipality.
- (6) (a) The receiving officer of the Human Settlements Development Grant must, in consultation with the transferring officer, publish in the *Gazette* within 14 days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant, for the 2015/16 financial year, the 2016/17 financial year and the 2017/18 financial year per municipality with level one or level two accreditation.
- (b) The planned expenditure must indicate the expenditure to be undertaken directly by the province and transfers to each municipality.
- (c) The receiving officer of the Human Settlements Development Grant may by notice in the *Gazette*, after taking into account the performance of the municipality and after consultation with the affected municipality and in consultation with the transferring officer, amend the planned expenditure for that municipality published in terms of paragraph (a).

Duties of receiving officer in respect of infrastructure conditional allocations to provinces

- 13.** (1) The receiving officer of the Education Infrastructure Grant, Health Facility Revitalisation Grant or Provincial Roads Maintenance Grant must—
- (a) submit to the relevant provincial treasury a list of all infrastructure projects partially or fully funded by the relevant grant over the medium term expenditure framework for tabling as part of the estimates of provincial expenditure in the provincial legislature in the format determined by the National Treasury;
 - (b) within seven days after the tabling in the legislature, submit the list to the transferring officer and the National Treasury;
 - (c) submit any amendments to the list, together with reasons for the amendments, to the provincial treasury for tabling with the adjusted estimates of provincial expenditure;
 - (d) within seven days after the tabling in the legislature, submit the amended list to the transferring officer and the National Treasury; and
 - (e) report on all infrastructure expenditure partially or fully funded by the relevant grant to the transferring officer, relevant provincial treasury and the National Treasury in the format and on the date determined by the National Treasury .
- (2) The receiving officer of the Education Infrastructure Grant or Health Facility Revitalisation Grant must—
- (a) within 22 days after the end of each quarter, submit to the transferring officer, relevant provincial treasury and the National Treasury, a report on the filling of posts on the approved establishment for the infrastructure unit of the affected provincial department in a format determined by the National Treasury;
 - (b) ensure that projects comply with infrastructure delivery management best practice standards and guidelines, as identified and approved by the National Treasury; and
 - (c) within two months after the end of the 2015/16 financial year—
 - (i) evaluate the financial and non-financial performance of the province in respect of programmes partially or fully funded by the grant based on the infrastructure budget of the province; and

- (ii) submit the evaluation to the transferring officer, the relevant provincial treasury and the National Treasury.

Infrastructure conditional allocations to metropolitan municipalities

- 14.** (1) The receiving officer of a metropolitan municipality must, by 29 May 2015, submit to the National Treasury a built environment performance plan that includes all projects partially or fully funded by— 5
- (a) the Integrated City Development Grant, Urban Settlements Development Grant, Public Transport Network Grant, Neighbourhood Development Partnership Grant or Integrated National Electrification Programme Grant referred to in Part B of Schedule 5; and 10
- (b) money allocated for the Human Settlements Development Grant received from a province.
- (2) The built environment performance plan, referred to in subsection (1), must—
- (a) be in the format determined by the National Treasury;
- (b) include the following information for each project for the period of the medium term expenditure framework: 15
- (i) Project name;
- (ii) budgeted value of the project;
- (iii) sources of funding for the project;
- (iv) location of the project with respect to the municipality's integration zones; 20
- (v) planned expenditure in the municipality's integration zones from each of the grants referred to in subsection (1)(a), demonstrating an annual increase in the planned expenditure from such grants collectively; and 25
- (c) be approved by its municipal council.
- (3) The National Treasury must, within seven days after the submission in terms of subsection (1), make available each built environment performance plan to all affected transferring officers and provincial departments.
- (4) (a) The receiving officer must report in its annual financial statements on the expenditure from each of the grants mentioned in subsection (1)(a), in each integration zone of the municipality against its built environment performance plan. 30
- (b) The transferring officer of the Integrated National Electrification Programme Grant referred to in Part B of Schedule 6 must report in its annual financial statements on the expenditure in each integration zone of every municipality against the built environment performance plan of the municipality. 35

Duties in respect of annual financial statements and annual reports for 2015/16

- 15.** (1) The 2015/16 financial statements of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the total amount of that allocation transferred to a province or municipality; 40
- (b) indicate any transfer withheld or stopped in terms of section 18 or 19 in respect of each province or municipality and the reason for the withholding or stopping;
- (c) indicate any transfer not made in accordance with the payment schedule or amended payment schedule, unless withheld or stopped in terms of section 18 or 19, and the reason for the non-compliance; 45
- (d) indicate any reallocations by the National Treasury in terms of section 20;
- (e) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality; and 50
- (f) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer.
- (2) The 2015/16 annual report of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation indicate— 55
- (a) the reasons for the withholding or stopping of all transfers to a province or municipality in terms of section 18 or 19;
- (b) the extent that compliance with this Act by provinces or municipalities was monitored;

- (c) the extent that the allocation achieved its objectives and outputs; and
 - (d) any non-compliance with this Act, and the steps taken to address the non-compliance.
- (3) The 2015/16 financial statements of a provincial department responsible for receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation— 5
- (a) indicate the total amount of all allocations received;
 - (b) indicate the total amount of actual expenditure on each Schedule 5 or 7 allocation; and
 - (c) certify that all transfers of allocations in Schedules 4, 5 and 7 to the province were deposited into the primary bank account of the province. 10
- (4) The 2015/16 annual report of a provincial department receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the extent that the provincial department complied with this Act;
 - (b) indicate the steps taken to address non-compliance with this Act; 15
 - (c) indicate the extent that the allocation achieved its objectives and outputs;
 - (d) contain any other information that may be specified in the framework for the allocation; and
 - (e) contain such other information as the National Treasury may determine.
- (5) The 2015/16 financial statements and annual report of a municipality receiving an allocation in Schedule 4, 5 or 7 must be prepared in accordance with the Municipal Finance Management Act. 20
- (6) The National Treasury may determine how transferring officers and receiving officers must report on conditional allocations to municipalities within 30 days after the end of each quarter to facilitate the audit of the allocations for the 2015/16 financial year. 25

Part 3

Matters relating to Schedule 4 to 7 allocations

Publication of allocations and frameworks

- 16.** (1) The National Treasury must, within 14 days after this Act takes effect, publish by notice in the *Gazette*— 30
- (a) the conditional allocations per municipality for Part B of Schedule 5 allocations;
 - (b) the indicative conditional allocations per province for Part A of Schedule 6 allocations and per municipality for Part B of Schedule 6 allocations; and
 - (c) the framework for each conditional allocation in Schedules 4 to 7. 35
- (2) For purposes of correcting an error or omission in an allocation or framework, or amending an indicative conditional allocation for Schedule 6, published in terms of subsection (1), the National Treasury must—
- (a) after consultation with or at the written request of a transferring officer; and
 - (b) in the case of a proposed amendment of a framework, after submitting the proposed amendment to Parliament for comment for a period of 14 days when Parliament is in session, 40
- by notice in the *Gazette* amend the affected allocation or framework.
- (3) An amendment in terms of subsection (2) takes effect on the date of publication of the notice in the *Gazette*. 45

Expenditure in terms of purpose and subject to conditions

- 17.** (1) Despite anything to the contrary in any other legislation, an allocation referred to in Schedules 4 to 7 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the applicable framework.
- (2) A receiving officer may not transfer any portion of a Schedule 5 allocation to any other organ of state for the performance of a function to be funded by the allocation, unless before the transfer is made, the receiving officer and the organ of state agree to a payment schedule, the receiving officer has notified the transferring officer and the National Treasury approves the agreed payment schedule and— 50
- (a) the transfer— 55
 - (i) is approved in the budget for the receiving provincial department or municipality; or

- (ii) if not so approved—
 - (aa) the receiving officer notifies the National Treasury that the purpose of the transfer is not to artificially inflate the expenditure estimates of the relevant provincial department or municipality and indicates the reasons for the transfer; and 5
 - (bb) the National Treasury approves the transfer; or
- (b) the transfer is for the payment for services or goods procured in accordance with the supply chain management policy or procurement policy of the relevant province or municipality and, if it is an advance payment, paragraph (a)(ii) applies with the necessary changes. 10
- (3) For purposes of the implementation of a Schedule 6 allocation to a municipality—
 - (a) Eskom Holdings Limited may receive funds directly from the transferring officer of the Department of Energy;
 - (b) a water board, as defined in section 1 of the Water Services Act, 1997 (Act No. 108 of 1997), may receive funds directly from the transferring officer of the Department of Water and Sanitation. 15
- (4) (a) For purposes of the Human Settlements Development Grant, a receiving officer and a municipality with level one, two or three accreditation as at 1 April 2015, must, by the date determined by the National Treasury, comply with subsection (2) by—
 - (i) entering into a payment schedule; and 20
 - (ii) submitting the payment schedule to the National Treasury.
- (b) If a municipality receives accreditation after 1 April 2015, the National Treasury may approve that paragraph (a) applies.
- (c) If the transfer of the Human Settlements Development Grant to a municipality with level three accreditation is withheld or stopped in terms of section 18 or 19, the receiving officer must request the National Treasury to amend the payment schedule in terms of section 24. 25
- (5) If a function which is partially or fully funded by a conditional allocation to a province is assigned to a municipality, as envisaged in section 10 of the Municipal Systems Act—
 - (a) the funds from the conditional allocation for the province for the function must be stopped in terms of section 19 and reallocated in terms of section 20 to the municipality which has been assigned the function; 30
 - (b) if possible, the province must finalise any project or fulfil any contract regarding the function before the date the function is assigned and, if not finalised, the province must notify the relevant municipality and the National Treasury; 35
 - (c) any project or contract regarding the function not finalised or fulfilled at the date at which the function is assigned, must be subjected to an external audit and the province and the municipality must enter into an agreement to complete the project or fulfil the contract through ceding it to the municipality; 40
 - (d) money that is retained by the province for any contract related to the function that is not ceded to the municipality must be spent by 31 March 2016 and will not be available in terms of section 30 of the Public Finance Management Act or section 22(2); 45
 - (e) the receiving officer of the province must submit to the transferring officer and the National Treasury a list of liabilities attached to the function, that were not transferred to the municipality, within seven days after the function is assigned to provide for the adjustment of the applicable allocations; and 50
 - (f) the receiving officer of the municipality must, within one month from the date of the stopping of funds in terms of paragraph (a), submit to the transferring officer a revised plan for its planned expenditure.

Withholding of allocations

- 18.** (1) Subject to subsections (2) and (3), a transferring officer may withhold the transfer of a Schedule 4 or 5 allocation, or any portion thereof, for a period not exceeding 30 days, if—
- (a) the province or municipality does not comply with any provision of this Act;
 - (b) roll-overs of conditional allocations approved by the National Treasury in terms of section 22 have not been spent; or 60

- (c) a satisfactory explanation is not given for significant under-expenditure on previous transfers during the 2015/16 financial year.
- (2) If an allocation is withheld in terms of subsection (1), it suspends the applicable payment schedule approved in terms of section 23(3) until it is amended in terms of section 24. 5
- (3) The amount withheld in terms of this section in the case of the Health Professions Training and Development Grant or the National Tertiary Services Grant listed in Part A of Schedule 4 may not exceed five per cent of the next transfer as contained in the relevant payment schedule.
- (4) A transferring officer must, at least seven working days before withholding an allocation in terms of subsection (1)— 10
- (a) give the relevant receiving officer—
- (i) notice of the intention to withhold the allocation; and
- (ii) an opportunity to submit written representations as to why the allocation should not be withheld; and 15
- (b) inform the relevant provincial treasury and the National Treasury, and in respect of any conditional allocation to a municipality, also the provincial department responsible for local government.
- (5) A notice envisaged in subsection (4) must include the reasons for withholding the allocation and the intended duration of the withholding to inform the amendment of the payment schedule in terms of section 24. 20
- (6) (a) The National Treasury may instruct, or approve a request from, the transferring officer to withhold an allocation in terms of subsection (1) for a period longer than 30 days, but not exceeding 120 days, if the withholding will— 25
- (i) facilitate compliance with this Act; or
- (ii) minimise the risk of under-spending.
- (b) When requesting the withholding of an allocation in terms of this subsection, a transferring officer must submit to the National Treasury proof of compliance with subsection (4) and any representations received from the receiving officer.
- (c) The transferring officer must again comply with subsection (4) when the National Treasury instructs or approves a request by the transferring officer in terms of paragraph (a). 30

Stopping of allocations

- 19.** (1) Despite section 18, the National Treasury may in its discretion or on request of a transferring officer or a receiving officer stop the transfer of a Schedule 4 or 5 allocation, or a portion thereof, to a province or municipality— 35
- (a) on the grounds of persistent and material non-compliance with this Act;
- (b) if the National Treasury anticipates that a province or municipality will substantially underspend on the allocation, or any programme, partially or fully funded by the allocation, in the 2015/16 financial year; 40
- (c) for purposes of the assignment of a function from a province to a municipality, as envisaged in section 10 of the Municipal Systems Act; or
- (d) if a province implementing an infrastructure project does not comply with construction industry best practise standards and guidelines, as identified and approved by the National Treasury. 45
- (2) The National Treasury must, before stopping an allocation in terms of subsection (1)(a), (b) or (d)—
- (a) comply with the procedures in section 18(4)(a), and in respect of a municipality, also with section 38 of the Municipal Finance Management Act; and 50
- (b) inform the relevant provincial treasury of its intention to stop the allocation.
- (3) The National Treasury must give notice in the *Gazette* of the stopping of an allocation in terms of this section and include in the notice the effective date of, and reason for, the stopping.
- (4) (a) If— 55
- (i) an allocation, or any portion thereof, is stopped in terms of subsection (1)(a), (b) or (d); and
- (ii) the relevant transferring officer certifies in writing to the National Treasury that the payment of an amount in terms of a statutory or contractual obligation is overdue and the allocation, or a portion thereof, was intended for payment 60 of the amount,

the National Treasury may, by notice in the *Gazette*, approve that the allocation, or any portion thereof, be utilised to pay that amount partially or fully.

(b) The utilisation of funds envisaged in this subsection is a direct charge against the National Revenue Fund.

Reallocation of funds

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20. (1) When a Schedule 4 or 5 allocation or a portion thereof is stopped in terms of section 19(1)(a), (b) or (d), the National Treasury may, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to one or more provinces or municipalities, on condition that the allocation must be spent by the end of the 2015/16 financial year or the 2016/17 financial year. 10

(2) (a) When a Schedule 4 or 5 allocation, or a portion thereof, is stopped in terms of section 19(1)(c), the National Treasury must, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to the affected municipalities, on condition that the allocation must be spent by the end of the 2015/16 financial year or the 2016/17 financial year. 15

(b) The portion of the allocation reallocated in terms of paragraph (a) is, with effect from the notice in the *Gazette* in terms of subsection (3)(a), regarded as having been converted to an allocation in Part B of the same Schedule it appears before the reallocation. 20

(3) (a) The National Treasury must—

- (i) give notice in the *Gazette* of a reallocation; and
- (ii) provide a copy of the notice to the transferring officer and each affected receiving officer. 25

(b) The reallocation of an allocation or a portion thereof on condition that it must be spent by the end of the 2016/17 financial year, must be regarded as a roll-over approved by the National Treasury in terms of section 22(2), and any regulations or instructions regarding the process for roll-overs, made or issued in terms of section 76 of the Public Finance Management Act, do not apply. 30

(4) (a) When an intervention in terms of section 100 or 139 of the Constitution or section 137, 139 or 150 of the Municipal Finance Management Act takes place, the National Treasury may, despite subsection (1) and on such conditions as it may determine, authorise in relation to—

- (i) section 100 of the Constitution, the transferring officer to spend an allocation stopped in terms of section 19 on behalf of the relevant province; 35
- (ii) section 139 of the Constitution or section 137 or 139 of the Municipal Finance Management Act, the intervening province to spend an allocation stopped in terms of section 19 of this Act on behalf of the relevant municipality; or
- (iii) section 150 of the Municipal Finance Management Act, the relevant transferring officer to spend an allocation stopped in terms of section 19 on behalf of the relevant municipality. 40

(b) An allocation that is spent by the transferring officer or intervening province referred to in paragraph (a) must, for the purposes of this Act, be regarded as a Schedule 6 allocation from the date on which the authorisation is given. 45

(5) (a) If it is unlikely that a conditional allocation related to infrastructure in Schedule 4, 5 or 6, or a portion thereof, will be spent by the end of the 2015/16 financial year, the National Treasury may, after consultation with the transferring officer and the national department responsible for local government, authorise that any part of the portion of the allocation likely to be unspent be reallocated to pay for the reconstruction and rehabilitation of infrastructure damage caused by a disaster. 50

(b) The reallocated funds must be utilised in the 2015/16 financial year and for the same conditional allocation and the same province or municipality to which the allocation was originally made.

(c) The transferring officer must determine the conditions for spending the reallocated funds, after consultation with the national department responsible for local government and with the approval of the National Treasury. 55

Conversion of allocations

- 21.** (1) If satisfied that—
- (a) the conversion will prevent under-expenditure or improve the level of service delivery in respect of the allocation in question; and
 - (b) the affected national or provincial department or municipality has demonstrated the capacity to implement projects,
- the National Treasury may, in its discretion after consultation with the relevant transferring officer or at the request of the transferring officer or the affected receiving officer, convert any portion of—
- (i) an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6;
 - (ii) an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5;
 - (iii) the School Infrastructure Backlogs Grant to the Education Infrastructure Grant; or
 - (iv) the National Health Grant listed in Part A of Schedule 6 to the Health Facility Revitalisation Grant or the National Health Insurance Grant listed in Part A of Schedule 5.
- (2) Any portion of an allocation converted in terms of subsection (1) must be utilised for the same province or municipality to which the allocation was originally made.
- (3) The National Treasury must—
- (a) give notice in the *Gazette* of a conversion in terms of subsection (1); and
 - (b) provide a copy of the notice to the transferring officer and each affected receiving officer.
- (4) A conversion in terms of subsection (1) takes effect on the date of publication of the notice in terms of subsection (3)(a).
- (5) If an allocation listed in Part B of Schedule 7 is insufficient for a disaster envisaged in section 26(3)(a), the National Treasury may, after consultation with or on the request of the relevant transferring officer, convert any portion of an allocation listed in—
- (a) Part A of Schedule 7 to one listed in Part B of Schedule 7; or
 - (b) Part B of Schedule 7 to one listed in Part A of Schedule 7.
- (6) The National Treasury must—
- (a) in the notice published in terms of section 26(3)(c), include notification of the conversion in terms of subsection (5) and the effective date referred to in subsection (7); or
 - (b) provide a copy of the notice to the transferring officer.
- (7) A conversion in terms of subsection (5) takes effect on the date that the National Treasury approves it.

Unspent conditional allocations

- 22.** (1) Despite anything to the contrary in the Public Finance Management Act or the Municipal Finance Management Act, any conditional allocation, or a portion thereof, that is not spent at the end of the 2015/16 financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2).
- (2) The National Treasury may, at the request of a transferring officer, receiving officer or provincial treasury, approve a roll-over of a conditional allocation to the 2016/17 financial year if the unspent funds are committed to identifiable projects.
- (3) (a) The receiving officer must ensure that any funds that must revert to the National Revenue Fund in terms of subsection (1), are paid into that Fund by the date determined by the National Treasury.
- (b) The receiving officer must—
- (i) in the case of a provincial department, request the roll-over of unspent funds through its provincial treasury; and
 - (ii) inform the transferring officer of all processes regarding the request.
- (4) The National Treasury may, subject to subsection (5), offset any funds that must revert to the National Revenue Fund in terms of subsection (1), but not paid into that Fund by the date determined in terms of subsection (3)(a)—
- (a) in the case of a province, against future advances for conditional allocations to that province; or
 - (b) in the case of a municipality, against future advances for the equitable share or conditional allocations to that municipality.

- (5) Before any funds are offset in terms of subsection (4), the National Treasury must give the relevant transferring officer, province or municipality—
- (a) notice of the intention to offset amounts against future advances for allocations, the intended amount to be offset against allocations and the reasons for the offsetting; and 5
 - (b) an opportunity, within 14 days of receipt of the notice, to—
 - (i) submit written representations and other written proof that the allocation, or a portion thereof, was either spent in terms of the relevant framework or is committed to identifiable projects;
 - (ii) propose alternative means acceptable to the National Treasury by which the unspent allocations can be paid into the National Revenue Fund; and 10
 - (iii) propose an alternative payment schedule in terms of which the unspent allocations will be paid into the National Revenue Fund.

CHAPTER 4

MATTERS RELATING TO ALL ALLOCATIONS 15

Payment schedule

- 23.** (1) (a) The National Treasury must, after consultation with the accounting officer of the provincial treasury, determine the payment schedule for the transfer of a province's equitable share allocation.
- (b) In determining the payment schedule, the National Treasury must take into account the monthly expenditure commitments of provinces and seek to minimise risk and debt servicing costs for national and provincial government. 20
- (c) Despite paragraph (a), the National Treasury may advance funds to a province in respect of its equitable share or a portion of it which has not yet fallen due for transfer in terms of the payment schedule— 25
- (i) for cash management purposes relating to the corporation for public deposits account or when an intervention in terms of section 100 of the Constitution takes place; and
 - (ii) on such conditions as it may determine.
- (d) Any advances in terms of paragraph (c) must be offset against transfers to the province which would otherwise become due in terms of the payment schedule. 30
- (2) (a) The National Treasury must, after consultation with the accounting officer of the national department responsible for local government, determine the payment schedule for the transfer of a municipality's equitable share allocation.
- (b) Despite paragraph (a), the National Treasury may approve a request or direct that the equitable share or a portion of the equitable share which has not yet fallen due for transfer in terms of the payment schedule, be advanced to a municipality— 35
- (i) after consultation with the accounting officer of the national department responsible for local government;
 - (ii) for purposes of cash management in the municipality or an intervention in terms of section 139 of the Constitution or section 137, 139 or 150 of the Municipal Finance Management Act; and 40
 - (iii) on such conditions as it may determine.
- (c) Any advances in terms of paragraph (b) must be offset against transfers to the municipality which would otherwise become due in terms of the payment schedule. 45
- (3) (a) Subject to section 28(1), the National Treasury must, within 14 days after this Act takes effect, approve the payment schedule for the transfer of an allocation listed in Schedule 4 or 5 to a province or municipality.
- (b) The transferring officer of a Schedule 4 or 5 allocation must submit a payment schedule to the National Treasury for approval before the first transfer is made. 50
- (c) Before the submission of a payment schedule in terms of paragraph (b), the transferring officer must, in relation to a Schedule 4 or 5 allocation, consult the relevant receiving officer.
- (4) The transferring officer of a Schedule 4 or 5 allocation must provide the receiving officer and the relevant provincial treasury with a copy of the approved payment schedule before making the first transfer in terms thereof. 55
- (5) The transfer of a Schedule 4 or 5 allocation to a municipality must accord with the financial year of the municipality.

Amendment of payment schedule

24. (1) (a) Subject to subsection (2), a transferring officer of a Schedule 4 or 5 allocation must, within seven days of the withholding or stopping of an allocation in terms of section 18 or 19, submit an amended payment schedule to the National Treasury for approval. 5

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

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

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

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

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

(3) The amendment of a payment schedule in terms of subsection (1) or (2) must take into account—

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

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

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

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

Transfers made in error or fraudulently 25

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

(2) The responsible transferring officer must, without delay, recover an overpayment referred to in subsection (1), unless an instruction has been issued in terms of subsection (3). 30

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

New allocations during financial year and Schedule 7 allocations

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

(a) amend any allocation or framework published in terms of section 16; 40

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

(c) publish a framework for any new Schedule 4, 5, 6 or 7 allocation. 45

(2) Section 16(2) and (3) applies with the necessary changes to allocations and frameworks published in terms of subsection (1).

(3) (a) The transferring officer may, with the approval of the National Treasury, make one or more transfer of a Schedule 7 allocation to a province or municipality for a disaster declared by notice in the provincial gazette in terms of section 41 or 55 of the Disaster Management Act, 2002 (Act No. 57 of 2002), within 100 days after the date of that notice. 50

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

(c) The National Treasury must, within 21 days after the end of the 100 day period referred to in paragraph (a), by notice in the *Gazette* publish any transfer of a Schedule 7 allocation made for a disaster. 55

(d) A Schedule 7 allocation transferred to a province or municipality must be appropriated either in the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriation legislation.

Preparations for 2016/17 financial year and 2017/18 financial year

27. (1) (a) A category C municipality that receives a conditional allocation in terms of this Act must, using the indicative conditional allocations to that municipality for the 2016/17 financial year and the 2017/18 financial year as set out in Column B of the Schedules to this Act, by 2 October 2015—

(i) agree on the provisional allocations and the projects to be funded from those allocations in the 2016/17 financial year and the 2017/18 financial year with each category B municipality within the category C municipality's area of jurisdiction; and

(ii) submit to the transferring officer—

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

(bb) the projects referred to in subparagraph (i), listed per municipality.

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

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

(d) Any proposed amendment or adjustment of the allocations that is intended to be published in terms of section 30(3)(b) must be agreed with the relevant category B municipality, the transferring officer and the National Treasury, before publication and the submission of the allocations referred to in paragraph (a)(ii).

(e) If agreement is not reached between the category C municipality and the category B municipality on the provisional allocations and projects referred to in paragraph (a) before 2 October 2015, the National Treasury may determine the provisional allocations and provide those provisional allocations to the affected municipalities and the transferring officer.

(f) (i) The transferring officer must submit the final allocations based on the provisional allocations referred to in paragraph (a)(i) and (ii) and (e) to the National Treasury by 4 December 2015.

(ii) If the transferring officer fails to submit the allocations referred to in subparagraph (i) by 4 December 2015, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2016/17 financial year.

(2) (a) The transferring officer of a conditional allocation, using the indicative conditional allocations for the 2016/17 financial year and the 2017/18 financial year as set out in Column B of the affected Schedules to this Act, must, by 2 October 2015, submit to the National Treasury—

(i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the 2016/17 financial year;

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

(iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii).

(b) The National Treasury must approve any proposed amendment or adjustment for the 2016/17 financial year of the allocation criteria of an existing conditional allocation before the submission of the provisional allocations and draft frameworks.

(c) (i) The transferring officer must, under his or her signature, submit the final allocations and frameworks based on the provisional allocations and frameworks to the National Treasury by 4 December 2015.

(ii) The transferring officer may in writing delegate to an employee of his or her department the signing-off envisaged in subparagraph (i), and, in the event of such delegation, a copy of the written delegation must accompany the allocations and frameworks submitted in terms of subparagraph (i).

(d) If the transferring officer fails to comply with paragraphs (a), (b) or (c) by the prescribed deadlines, the National Treasury may determine the appropriate draft and

final allocations and frameworks taking into consideration the indicative allocations for the 2016/17 financial year.

(e) (i) The National Treasury may amend final allocations and frameworks in order to ensure equitable and stable allocations and fair and consistent grant conditions.

(ii) The National Treasury must give notice to the transferring officer of the intention to amend frameworks and allocations and invite the submission of written comment within seven days after the date of the notification. 5

(f) The draft and final frameworks and allocations must be submitted in the format determined by the National Treasury.

(3) The National Treasury may instruct transferring officers, accounting officers of the provincial treasuries and receiving officers to submit to it such plans and information for any conditional allocation as it may determine at specified times before the start of the 2016/17 financial year. 10

(4) (a) For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2016/17 financial year, the receiving officer of the relevant provincial department must, in the format and on the date determined by the National Treasury, submit to the transferring officer, the relevant provincial treasury and the National Treasury— 15

(i) a user asset management plan for all infrastructure programmes for a period of at least 10 years; 20

(ii) an infrastructure programme management plan including at least a construction procurement strategy for infrastructure programmes or projects envisaged to commence within the period for the medium term expenditure framework;

(iii) project proposals and concept reports for all projects in the planning stage envisaged to commence within the medium term expenditure framework period; and 25

(iv) a document that outlines how the infrastructure delivery management system will be implemented in the province and that is approved by the Executive Council of the province before or after the commencement of this Act. 30

(b) If any substantive change is made to the document referred to in paragraph (a)(iv) during the 2015/16 financial year, the amended document must be approved by the Executive Council of the province before submission to the National Treasury within 14 days after such approval.

(c) The National Treasury must notify the transferring officer and the affected provincial departments which infrastructure programmes and projects it will propose for full or partial funding through the grant in the financial years in question. 35

Transfers before commencement of Division of Revenue Act for 2016/17 financial year

28. (1) Despite sections 3(2), 7(2) and 8(2), if the Division of Revenue Act for the 2016/17 financial year has not commenced before or on 1 April 2016, the National Treasury may determine that an amount not exceeding 45 per cent of the total amount of each allocation made in terms of section 3(1), 7(1) or 8(1) be transferred to the relevant province or municipality as a direct charge against the National Revenue Fund. 40

(2) If an amount of an allocation, made in terms of section 7(1) or 8(1), is transferred in terms of subsection (1), the amount is, with the necessary changes, subject to the applicable framework for the 2015/16 financial year and the other requirements of this Act as if it is an amount of an allocation for the 2015/16 financial year. 45

CHAPTER 5

DUTIES AND POWERS OF MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY 50

Duties of municipalities

29. (1) (a) In addition to the requirements of the Municipal Finance Management Act, the accounting officer of a category C municipality must, within 10 days after this Act takes effect, submit to the National Treasury and all category B municipalities within that municipality's area of jurisdiction, the budget, as tabled in accordance with section 16 of the Municipal Finance Management Act, for the 2015/16 financial year, the 55

2016/17 financial year and the 2017/18 financial year, except if submitted in terms of any other legislation before the end of the 10 day period.

(b) The budget must indicate all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction and disclose the criteria for allocating funds between the category B municipalities. 5

(2) A category C municipality that is providing a municipal service must, before implementing any capital project for water, electricity, roads or any other municipal service, consult the category B municipalities within whose area of jurisdiction the project will be implemented, and agree in writing which municipality is responsible for the operational costs and the collection of user fees. 10

(3) A category C municipality must ensure that it does not duplicate a function currently performed by a category B municipality and must transfer funds for the provision of services, including basic services, to the relevant category B municipality that is providing municipal services, despite the fact that— 15

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

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

(4) A category B municipality which is not authorised to perform a function in terms of the Municipal Structures Act may not extend the scope or type of services that it currently provides, without— 20

(a) entering into a service delivery agreement with the category C municipality which is authorised to perform the function in terms of the Municipal Structures Act; or 25

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

(5) (a) A category C municipality and a category B municipality must, before the commencement of a financial year, agree to a payment schedule in respect of the allocations referred to in subsection(1)(b) to be transferred to the category B municipality in that financial year, and the category C municipality must submit that payment schedule to the National Treasury before the commencement of the financial year. 30

(b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a). 35

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

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

(ii) reach an agreement envisaged in subsection (2); or 40

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

(b) Sections 18(4) and 19(2), (3) and (4) of this Act and section 216 of the Constitution apply, with the necessary changes, to the withholding or stopping of an allocation in accordance with paragraph (a).

(c) If an allocation is stopped in terms of this subsection, the National Treasury may, after consultation with the transferring officer, determine that a portion of the allocation that will not be spent, be reallocated to one or more municipalities, on condition that the allocation will be spent by the end of the 2015/16 financial year or the 2016/17 financial year. 45

(7) A municipality must ensure that any allocation made to it in terms of this Act, or by a province or another municipality, that is not reflected in its budget as tabled in accordance with section 16 of the Municipal Finance Management Act, is reflected in its budget to be considered for approval in accordance with section 24 of the Municipal Finance Management Act. 50

Duties and powers of provincial treasuries 55

30. (1) A provincial treasury must reflect allocations listed in Part A of Schedule 5 to the province separately in the appropriation Bill of the province.

(2) (a) A provincial treasury must, on the same day that its budget is tabled in the provincial legislature, or a date not later than 14 days after this Act takes effect, approved by the National Treasury, publish by notice in the *Gazette*— 60

- (i) the indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds;
 - (ii) the indicative allocation to be made per school and per hospital in the province in a format determined by the National Treasury;
 - (iii) the indicative allocation to any national or provincial public entity for the implementation of a programme funded by an allocation in Part A of Schedule 5 on behalf of a province or for assistance provided to the province in implementing such a programme; 5
 - (iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2016/17 financial year and the 2017/18 financial year; and 10
 - (v) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs.
- (b) The allocations referred to in paragraph (a) must be regarded as final when the provincial appropriation Act takes effect. 15
- (c) If the provincial legislature amends its appropriation Bill, the provincial treasury must publish amended allocations and budgets by notice in the *Gazette* within 14 days after the appropriation Act takes effect, and those allocations and budget must be regarded as final. 20
- (3) (a) Despite subsection (2) or any other legislation, a provincial treasury may, in accordance with a framework determined by the National Treasury, amend the allocations referred to in subsection (2) or make additional allocations to municipalities that were not published in terms of subsection (2).
- (b) Any amendments to the allocations published in terms of subsection (2)(a) or (c) must be published by notice in the *Gazette* not later than 12 February 2016 and takes effect on the date of the publication. 25
- (4) A provincial treasury must, as part of its report in terms of section 40(4)(b) and (c) of the Public Finance Management Act, in the format determined by the National Treasury, report on— 30
- (a) actual transfers received by the province from national departments;
 - (b) actual expenditure on such allocations, excluding Schedule 4 allocations, up to the end of that month; and
 - (c) actual transfers made by the province to municipalities and public entities, and actual expenditure by municipalities and public entities on such allocations, based on the latest information available from municipalities and public entities at the time of reporting. 35
- (5) (a) A provincial treasury must—
- (i) ensure that a payment schedule is agreed between each provincial department and receiving institution envisaged in subsection (2)(a); 40
 - (ii) ensure that transfers are made promptly to the relevant receiving officer in terms of the agreed payment schedule; and
 - (iii) submit the payment schedules to the National Treasury within 14 days after this Act takes effect.
- (b) If a provincial department and receiving institution do not agree to a payment schedule in time for submission to the National Treasury, the provincial treasury must, after consultation with the transferring officer, determine the payment schedule. 45
- (6) If a provincial treasury fails to make a transfer in terms of subsection (5)(a), the relevant receiving officer may request the provincial treasury to immediately make the transfer or to provide written reasons within three working days as to why the transfer has not been made. 50
- (7) If a provincial treasury fails to make the transfer requested by the receiving officer or provide reasons in terms of subsection (6), or the receiving officer disputes the reasons provided by the provincial treasury as to why the transfer has not been made, the receiving officer may request the National Treasury to investigate the matter. 55
- (8) On receipt of a request in terms of subsection (7), the National Treasury must—
- (a) consult the transferring officer on the matter;
 - (b) investigate the matter, assess any reasons given by the provincial treasury as to why the transfer was not made;
 - (c) direct the provincial treasury to immediately effect the transfer or provide reasons to the receiving officer confirming why the provincial treasury was correct in not making the transfer; and 60

- (d) advise the provincial treasury and the receiving officer as to what steps must be taken to ensure the transfer.

Duties and powers of National Treasury

31. (1) The National Treasury must, within 14 days after this Act takes effect, submit a notice to all transferring officers containing the details of the primary bank accounts of each province and municipality. 5

(2) The National Treasury must, together with the statement envisaged in section 32(2) of the Public Finance Management Act, publish a report on actual transfers of all allocations listed in Schedules 4, 5, 6 and 7 or made in terms of section 26.

(3) The National Treasury may in any report it publishes that aggregates statements published by provincial treasuries envisaged in section 71(7) of the Municipal Finance Management Act, and in any report in respect of municipal finances, include a report on the equitable share and conditional allocations provided for in this Act. 10

CHAPTER 6

GENERAL 15

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

32. (1) An organ of state involved in an intergovernmental dispute regarding any provision of this Act or any division of revenue matter or allocation must, before approaching a court to resolve such dispute, make every effort to settle the dispute with the other organ of state concerned, including exhausting all mechanisms provided for the settlement of disputes in relevant legislation. 20

(2) If a dispute is referred back by a court in accordance with section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with subsection (1), the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful. 25

(3) The amount of any such fruitless and wasteful expenditure must, in terms of the applicable procedures in the Public Finance Management Act or the Municipal Finance Management Act, be recovered without delay from the person who caused the organ of state not to comply with subsection (1). 30

Irregular expenditure

33. The following transfers must be regarded as irregular expenditure in terms of the Public Finance Management Act or the Municipal Finance Management Act, as the case may be:

- (a) A transfer prohibited in terms of section 17(2); 35
- (b) a transfer by a transferring officer to a bank account of a province or municipality that is not the primary bank account;
- (c) a transfer envisaged in section 25(1); or
- (d) a transfer made or expenditure of an allocation in contravention of this Act.

Financial misconduct 40

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

(2) Section 84 of the Public Finance Management Act or section 171 of the Municipal Finance Management Act, as the case may be, applies in respect of financial misconduct envisaged in subsection (1). 45

Delegations and assignments

- 35.** (1) The Minister may, in writing, delegate any of the powers entrusted to, and assign any of the duties imposed on, the National Treasury in terms of this Act, to an official of the National Treasury.
- (2) A delegation or assignment in terms of subsection (1) to an official of the National Treasury—
- (a) is subject to any limitations or conditions that the Minister may impose;
 - (b) may authorise that official to sub-delegate, in writing, the delegated power or assigned duty to any other official of the National Treasury; and
 - (c) does not divest the National Treasury of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.
- (3) The Minister may vary or revoke any decision taken by an official as a result of a delegation or assignment, subject to any rights that may have vested as a consequence of the decision.
- (4) (a) A Member of the Executive Council responsible for finance in a province may, in writing, delegate any power entrusted to, and assign any duty imposed on, the provincial treasury in terms of this Act, to an official of the provincial treasury.
- (b) Subsections (2) and (3) apply with the necessary changes to a delegation or assignment in terms of paragraph (a).

Exemptions 20

- 36.** (1) The Minister may, if good grounds exist, approve a departure from a provision of a framework, a regulation made under section 37 or a condition imposed in terms of this Act.
- (2) For purposes of subsection (1), good grounds include the fact that the provision of the framework, regulation or condition—
- (a) cannot be implemented in practice;
 - (b) impedes the achievement of any object of this Act; or
 - (c) undermines the financial viability of the affected national or provincial department or municipality.
- (3) Any departure approved in terms of subsection (1) must set out the period and conditions of the departure, if any, and must be published by notice in the *Gazette*.

Regulations

- 37.** The Minister may, by notice in the *Gazette*, make regulations regarding—
- (a) anything which must or may be prescribed in terms of this Act; or
 - (b) any ancillary or incidental administrative or procedural matter that it is necessary to prescribe for the proper implementation or administration of this Act.

Repeal of laws and savings

- 38.** (1) Subject to subsection (2) and (3)—
- (a) the Division of Revenue Act, 2014 (Act No. 10 of 2014), except sections 16 and 26, is hereby repealed;
 - (b) sections 16 and 26 of the Division of Revenue Act, 2014, is hereby repealed with effect from 1 July 2015 or the date that this Act takes effect, whichever is the later date; and
 - (c) the Division of Revenue Amendment Act, 2014 (Act No. 38 of 2014), is hereby repealed.
- (2) Any repeal referred to in subsection (1) does not affect—
- (a) any duty to be performed in terms of any provision of an Act referred to in subsection (1) after the end of the 2015/16 financial year; and
 - (b) any obligation in terms of any provision of an Act referred to in subsection (1), the execution of which is outstanding.
- (3) Any framework published in terms of section 16 of the Division of Revenue Act, 2014, as amended in terms of section 16 or 26 of that Act, applies to funds of a conditional allocation approved for roll-over in terms of section 22(2) of that Act, if that conditional allocation does not continue to exist in terms of this Act.

Short title and commencement

39. This Act is called the Division of Revenue Act, 2015, and takes effect on 1 April 2015 or the date of publication in the *Gazette*, whichever is the later date.

SCHEDULE 1

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

Spheres of Government	Column A	Column B	
	2015/16	Forward Estimates	
		2016/17	2017/18
	R'000	R'000	R'000
National ^{1,2}	789 463 526	851 811 074	936 457 697
Provincial	382 673 477	405 264 594	428 892 540
Local	50 207 698	52 868 706	55 512 141
TOTAL	1 222 344 701	1 309 944 374	1 420 862 378

1. National share includes conditional allocations to provincial and local spheres, general fuel levy sharing with metropolitan municipalities, debt-service costs and the contingency reserve
2. Direct charges for the provincial equitable share are netted out

SCHEDULE 2

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

Province	Column A	Column B	
	2015/16	Forward Estimates	
		2016/17	2017/18
	R'000	R'000	R'000
Eastern Cape	54 311 819	57 367 961	60 069 069
Free State	21 757 298	22 775 186	23 979 176
Gauteng	73 413 414	78 236 773	83 601 741
KwaZulu-Natal	82 253 946	86 885 446	91 429 978
Limpopo	45 377 444	48 120 920	50 502 078
Mpumalanga	31 029 509	32 970 925	35 113 208
Northern Cape	10 137 746	10 730 339	11 396 762
North West	26 150 635	27 675 998	29 492 553
Western Cape	38 241 666	40 501 046	43 307 975
TOTAL	382 673 477	405 264 594	428 892 540

SCHEDULE 3

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

Number Municipality			National Financial Year		
			Column A	Column B	
			2015/16 R'000	Forward Estimates	
2016/17 R'000	2017/18 R'000				
EASTERN CAPE					
A	BUF	Buffalo City	655 141	643 419	649 421
A	NMA	Nelson Mandela Bay	774 616	789 729	834 568
B	EC101	Camdeboo	43 279	43 753	44 555
B	EC102	Blue Crane Route	44 654	44 143	43 491
B	EC103	Ikwezi	20 720	21 057	20 950
B	EC104	Makana	75 767	76 049	77 157
B	EC105	Ndlambe	73 102	76 509	79 625
B	EC106	Sundays River Valley	55 182	59 228	62 773
B	EC107	Baviaans	23 452	24 047	24 192
B	EC108	Kouga	82 099	91 310	100 056
B	EC109	Kou-Kamma	37 662	39 415	41 035
C	DC10	Sarah Baartman District Municipality	80 759	82 444	83 373
Total: Cacadu Municipalities			536 676	557 955	577 207
B	EC121	Mbhashe	209 735	210 574	204 695
B	EC122	Mnquma	234 405	232 254	224 029
B	EC123	Great Kei	42 202	41 379	39 588
B	EC124	Amahlathi	124 034	121 326	115 916
B	EC126	Ngqushwa	82 854	80 993	77 425
B	EC127	Nkonkobe	130 357	129 198	124 581
B	EC128	Nxuba	26 561	26 185	25 223
C	DC12	Amathole District Municipality	699 595	740 645	794 777
Total: Amatole Municipalities			1 549 743	1 582 554	1 606 234
B	EC131	Inxuba Yethemba	40 912	38 527	36 043
B	EC132	Tsolwana	38 820	39 300	38 537
B	EC133	Inkwanca	24 998	25 145	24 581
B	EC134	Lukhanji	117 676	115 174	111 362
B	EC135	Intsika Yethu	145 974	146 337	142 352
B	EC136	Emalahleni	116 537	117 289	114 454
B	EC137	Engcobo	134 844	135 694	132 108
B	EC138	Sakhisizwe	59 581	59 362	57 411
C	DC13	Chris Hani District Municipality	446 759	478 364	512 703
Total: Chris Hani Municipalities			1 126 101	1 155 192	1 169 551
B	EC141	Elundini	132 110	133 807	131 096
B	EC142	Senqu	135 985	135 567	131 602
B	EC143	Maletswai	27 487	27 646	27 673
B	EC144	Gariep	27 626	26 779	25 626
C	DC14	Joe Gqabi District Municipality	209 607	224 702	240 509
Total: Joe Gqabi Municipalities			532 815	548 501	556 506
B	EC153	Ngquza Hill	200 197	201 455	196 020
B	EC154	Port St Johns	120 534	121 258	117 951
B	EC155	Nyandeni	216 750	217 959	212 536
B	EC156	Mhlonlo	159 404	157 780	151 549
B	EC157	King Sabata Dalindyebo	251 210	253 935	251 266
C	DC15	O.R. Tambo District Municipality	622 201	671 954	721 881
Total: O.R. Tambo Municipalities			1 570 296	1 624 341	1 651 203
B	EC441	Matatiele	176 181	176 031	170 532
B	EC442	Umzimvubu	169 767	168 185	161 716
B	EC443	Mbizana	181 314	180 170	173 758
B	EC152	Ntabankulu	98 871	97 675	93 611
C	DC44	Alfred Nzo District Municipality	365 517	387 616	410 995
Total: Alfred Nzo Municipalities			991 650	1 009 677	1 010 612
Total: Eastern Cape Municipalities			7 737 038	7 911 368	8 055 302

SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2015/16	Forward Estimates	
			2016/17	2017/18
		R'000	R'000	
FREE STATE				
A	MAN Mangaung	596 652	590 539	608 267
B	FS161 Letsemeng	49 784	46 735	43 779
B	FS162 Kopanong	78 370	69 687	61 096
B	FS163 Mohokare	54 870	53 785	52 936
B	FS171 Naledi	40 967	40 211	39 380
C	DC16 Xhariep District Municipality	30 091	30 500	30 273
Total: Xhariep Municipalities		254 082	240 918	227 464
B	FS181 Masilonyana	88 321	86 013	83 576
B	FS182 Tokologo	44 637	42 864	41 018
B	FS183 Tswelopele	62 570	58 858	54 941
B	FS184 Matjhabeng	402 909	377 726	359 950
B	FS185 Nala	120 422	107 030	93 457
C	DC18 Lejweleputswa District Municipality	110 390	111 991	112 917
Total: Lejweleputswa Municipalities		829 249	784 482	745 859
B	FS191 Setsoto	166 309	157 720	149 764
B	FS192 Dihlabeng	125 216	121 929	121 212
B	FS193 Nketoana	80 525	77 945	76 015
B	FS194 Maluti-a-Phofung	451 439	465 235	475 003
B	FS195 Phumelela	60 462	59 025	57 739
B	FS196 Mantsopa	69 174	66 756	64 723
C	DC19 Thabo Mofutsanyana District Municipality	96 978	98 550	98 822
Total: Thabo Mofutsanyana Municipalities		1 050 103	1 047 160	1 043 278
B	FS201 Moqhaka	161 083	156 489	154 096
B	FS203 Ngwathe	159 059	156 313	155 181
B	FS204 Metsimaholo	115 423	124 038	135 456
B	FS205 Mafube	78 587	76 201	74 250
C	DC20 Fezile Dabi District Municipality	140 135	142 101	143 726
Total: Fezile Dabi Municipalities		654 287	655 142	662 709
Total: Free State Municipalities		3 384 373	3 318 241	3 287 577

SCHEDULE 3

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

Number		Municipality		National Financial Year		
				Column A	Column B	
				2015/16	Forward Estimates	
			2016/17	2017/18		
		R'000	R'000	R'000		
GAUTENG						
A	EKU	Ekurhuleni	2 181 182	2 385 328	2 640 836	
A	JHB	City of Johannesburg	2 864 065	3 201 671	3 578 411	
A	TSH	City of Tshwane	1 654 390	1 886 413	2 131 544	
B	GT421	Emfuleni	600 889	596 234	611 980	
B	GT422	Midvaal	68 291	76 430	85 618	
B	GT423	Lesedi	82 794	91 538	100 941	
C	DC42	Sedibeng District Municipality	245 760	250 824	255 332	
Total: Sedibeng Municipalities			997 734	1 015 026	1 053 871	
B	GT481	Mogale City	259 185	286 333	317 887	
B	GT482	Randfontein	95 613	98 270	104 449	
B	GT483	Westonaria	121 466	129 865	138 671	
B	GT484	Merafong City	168 320	158 626	154 062	
C	DC48	West Rand District Municipality	184 842	188 849	192 250	
Total: West Rand Municipalities			829 426	861 943	907 319	
Total: Gauteng Municipalities			8 526 797	9 350 381	10 311 981	

SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
KWAZULU-NATAL				
A	ETH eThekweni	2 115 453	2 289 678	2 510 109
B	KZN211 Vulamehlo	62 870	63 294	61 523
B	KZN212 uMmdoni	60 678	64 415	65 936
B	KZN213 Umzumbe	127 112	125 089	119 861
B	KZN214 uMuziwabantu	76 322	77 571	76 242
B	KZN215 Eziqoleni	43 543	44 037	43 046
B	KZN216 Hibiscus Coast	125 965	132 233	136 793
C	DC21 Ugu District Municipality	362 776	396 722	431 686
Total: Ugu Municipalities		859 266	903 361	935 087
B	KZN221 uMshwathi	84 824	86 127	85 373
B	KZN222 uMngeni	44 316	47 340	50 609
B	KZN223 Mpofana	27 603	27 815	27 611
B	KZN224 Impendle	32 943	32 909	31 995
B	KZN225 Msunduzi	395 786	421 033	458 801
B	KZN226 Mkhambathini	51 341	52 669	52 170
B	KZN227 Richmond	54 162	56 174	56 317
C	DC22 Umgungundlovu District Municipality	398 469	432 422	468 463
Total: Umgungundlovu Municipalities		1 089 444	1 156 489	1 231 339
B	KZN232 Ennambithi/Ladysmith	120 062	120 269	119 645
B	KZN233 Indaka	75 580	73 820	70 701
B	KZN234 Umtshezi	50 138	52 557	53 690
B	KZN235 Okhahlamba	98 494	98 317	95 287
B	KZN236 Imbabazane	84 471	82 623	79 084
C	DC23 Uthukela District Municipality	310 472	331 219	355 197
Total: Uthukela Municipalities		739 217	758 805	773 604
B	KZN241 Endumeni	41 242	42 121	42 690
B	KZN242 Nquthu	115 965	115 953	112 456
B	KZN244 Msinga	134 627	137 741	136 043
B	KZN245 Umvoti	85 271	89 352	90 391
C	DC24 Umzinyathi District Municipality	240 374	262 086	284 764
Total: Umzinyathi Municipalities		617 479	647 253	666 344
B	KZN252 Newcastle	298 215	299 978	307 066
B	KZN253 Emadlangeni	21 017	21 232	20 783
B	KZ254 Dannhauser	74 181	74 141	71 921
C	DC25 Amajuba District Municipality	120 927	128 857	136 941
Total: Amajuba Municipalities		514 340	524 208	536 711

SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
B	KZN261 eDumbe	57 632	57 919	56 452
B	KZN262 uPhongolo	96 890	98 096	96 501
B	KZN263 Abaqulusi	106 693	108 233	107 572
B	KZN265 Nongoma	123 997	124 259	120 410
B	KZN266 Ulundi	128 213	127 325	122 413
C	DC26 Zululand District Municipality	322 706	346 723	372 861
Total: Zululand Municipalities		836 131	862 555	876 209
B	KZN271 Umhlabuyalingana	121 138	125 459	124 997
B	KZN272 Jozini	136 441	138 632	136 049
B	KZN273 The Big Five False Bay	31 134	32 633	32 708
B	KZN274 Hlabisa	49 368	50 337	49 344
B	KZN275 Mtubatuba	116 487	121 754	122 015
C	DC27 Umkhanyakude District Municipality	265 376	292 876	320 377
Total: Umkhanyakude Municipalities		719 944	761 691	785 490
B	KZN281 Mfolozi	93 949	97 078	96 332
B	KZN282 uMhlathuze	229 925	245 576	261 960
B	KZN283 Ntambanana	42 362	42 422	40 486
B	KZN284 uMlalazi	145 537	148 146	145 948
B	KZN285 Mthonjaneni	38 963	39 112	38 061
B	KZN286 Nkandla	82 242	81 438	78 045
C	DC28 uThungulu District Municipality	410 276	444 127	480 348
Total: Uthungulu Municipalities		1 043 254	1 097 899	1 141 180
B	KZN291 Mandeni	119 361	123 461	123 733
B	KZN292 KwaDukuza	105 352	114 767	124 033
B	KZN293 Ndwedwe	110 311	111 944	109 596
B	KZN294 Maphumulo	74 233	73 361	70 399
C	DC29 iLembe District Municipality	338 090	375 152	413 009
Total: iLembe Municipalities		747 347	798 685	840 770
B	KZN431 Ingwe	83 132	83 714	81 755
B	KZN432 Kwa Sani	15 076	15 032	14 642
B	KZN433 Greater Kokstad	47 497	43 752	39 622
B	KZN434 Ubuhlebezwe	85 227	86 003	84 025
B	KZN435 Umzimkhulu	151 222	154 042	151 986
C	DC43 Harry Gwala District Municipality	241 033	256 784	275 160
Total: Sisonke Municipalities		623 187	639 327	647 190
Total: KwaZulu-Natal Municipalities		9 905 062	10 439 951	10 944 033

SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
LIMPOPO				
B	LIM331 Greater Giyani	221 971	224 360	220 158
B	LIM332 Greater Letaba	208 866	209 992	205 548
B	LIM333 Greater Tzaneen	288 642	293 532	292 259
B	LIM334 Ba-Phalaborwa	107 805	110 912	110 792
B	LIM335 Maruleng	92 441	93 956	92 470
C	DC33 Mopani District Municipality	631 553	689 900	750 934
Total: Mopani Municipalities		1 551 278	1 622 652	1 672 161
B	LIM341 Musina	47 735	51 088	53 794
B	LIM342 Mutale	88 938	91 791	91 163
B	LIM343 Thulamela	433 020	442 734	440 450
B	LIM344 Makhado	354 731	360 778	358 823
C	DC34 Vhembe District Municipality	681 432	748 796	818 144
Total: Vhembe Municipalities		1 605 856	1 695 187	1 762 374
B	LIM351 Blouberg	147 635	148 335	144 712
B	LIM352 Aganang	122 831	122 653	118 801
B	LIM353 Molemole	106 287	105 489	102 169
B	LIM354 Polokwane	522 595	568 208	616 043
B	LIM355 Lepelle-Nkumpi	204 754	205 856	200 863
C	DC35 Capricorn District Municipality	502 417	539 932	579 927
Total: Capricorn Municipalities		1 606 519	1 690 473	1 762 515
B	LIM361 Thabazimbi	60 064	59 287	60 525
B	LIM362 Lephalale	87 409	90 304	96 015
B	LIM364 Mookgopong	41 540	44 331	46 436
B	LIM365 Modimolle	59 775	58 486	57 795
B	LIM366 Bela-Bela	63 428	68 288	72 970
B	LIM367 Mogalakwena	341 563	352 996	360 879
C	DC36 Waterberg District Municipality	111 232	113 698	115 381
Total: Waterberg Municipalities		765 011	787 390	810 001
B	LIM471 Ephraim Mogale	118 546	121 195	120 142
B	LIM472 Elias Motsoaledi	212 959	216 012	212 886
B	LIM473 Makhuduthamaga	228 571	230 641	226 428
B	LIM474 Fetakgomo	83 169	84 331	82 555
B	LIM475 Greater Tubatse	234 852	244 658	246 367
C	DC47 Sekhukhune District Municipality	546 538	605 864	666 284
Total: Sekhukhune Municipalities		1 424 635	1 502 701	1 554 662
Total: Limpopo Municipalities		6 953 299	7 298 403	7 561 713

SCHEDULE 3

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

Number Municipality		National Financial Year		
		Column A	Column B	
		2015/16 R'000	Forward Estimates	
2016/17 R'000	2017/18 R'000			
MPUMALANGA				
B	MP301 Albert Luthuli	219 137	226 756	232 189
B	MP302 Msukaligwa	114 641	119 148	127 385
B	MP303 Mkhondo	153 190	162 922	170 990
B	MP304 Pixley Ka Seme	91 201	89 095	87 184
B	MP305 Lekwa	83 027	84 444	88 022
B	MP306 Dipaleseng	52 509	53 758	55 387
B	MP307 Govan Mbeki	194 986	197 366	208 046
C	DC30 Gert Sibande District Municipality	270 971	275 627	279 802
Total: Gert Sibande Municipalities		1 179 662	1 209 116	1 249 005
B	MP311 Victor Khanye	67 348	72 518	77 844
B	MP312 Emalahleni	229 575	256 739	288 276
B	MP313 Steve Tshwete	119 935	136 945	156 145
B	MP314 Emakhazeni	48 486	51 585	54 519
B	MP315 Thembisile Hani	288 644	302 262	313 991
B	MP316 Dr JS Moroka	314 082	320 052	321 994
C	DC31 Nkangala District Municipality	326 223	333 595	340 394
Total: Nkangala Municipalities		1 394 293	1 473 696	1 553 163
B	MP321 Thaba Chweu	104 771	114 508	124 626
B	MP322 Mbombela	462 073	503 877	544 750
B	MP323 Umjindi	67 369	71 926	76 257
B	MP324 Nkomazi	423 037	448 779	467 584
B	MP325 Bushbuckridge	635 931	661 704	678 874
C	DC32 Ehlanzeni District Municipality	217 441	222 950	226 639
Total: Ehlanzeni Municipalities		1 910 622	2 023 744	2 118 730
Total: Mpumalanga Municipalities		4 484 577	4 706 556	4 920 898

SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
NORTHERN CAPE				
B	NC061 Richtersveld	13 401	13 428	13 555
B	NC062 Nama Khoi	36 818	37 439	38 799
B	NC064 Kamiesberg	17 563	18 075	18 187
B	NC065 Hantam	20 662	20 157	19 958
B	NC066 Karoo Hoogland	15 812	16 426	17 034
B	NC067 Khâi-Ma	14 782	15 260	15 777
C	DC6 Namakwa District Municipality	35 005	35 407	35 579
Total: Namakwa Municipalities		154 043	156 192	158 889
B	NC071 Ubuntu	25 241	26 260	26 845
B	NC072 Umsobomvu	34 931	35 704	36 711
B	NC073 Emthanjeni	35 929	35 088	34 668
B	NC074 Kareeberg	18 021	18 843	19 256
B	NC075 Renosterberg	18 179	18 558	18 669
B	NC076 Thembelihle	18 676	19 187	19 447
B	NC077 Siyathemba	24 220	24 934	25 709
B	NC078 Siyancuma	39 475	38 633	37 704
C	DC7 Pixley Ka Seme District Municipality	35 320	35 988	36 007
Total: Pixley Ka Seme Municipalities		249 992	253 195	255 016
B	NC081 Mier	14 577	14 878	14 736
B	NC082 !Kai !Garib	52 338	53 123	55 103
B	NC083 //Khara Hais	57 629	58 936	62 196
B	NC084 !Kheis	19 697	20 020	20 082
B	NC085 Tsantsabane	28 192	28 784	30 150
B	NC086 Kgatelopele	17 104	17 693	18 665
C	DC8 Z.F. Mgcawu District Municipality	50 237	51 229	51 783
Total: Siyanda Municipalities		239 774	244 663	252 715
B	NC091 Sol Plaatje	143 335	140 315	142 006
B	NC092 Dikgatlong	58 153	59 655	60 568
B	NC093 Magareng	34 766	34 948	34 778
B	NC094 Phokwane	77 299	78 145	78 493
C	DC9 Frances Baard District Municipality	98 936	105 379	111 650
Total: Frances Baard Municipalities		412 489	418 442	427 495
B	NC451 Joe Morolong	115 253	117 673	117 381
B	NC452 Ga-Segonyana	109 444	117 316	123 402
B	NC453 Gamagara	22 923	24 527	27 669
C	DC45 John Taolo Gaetsewe District Municipality	64 383	66 295	67 960
Total: John Taolo Gaetsewe Municipalities		312 003	325 811	336 412
Total: Northern Cape Municipalities		1 368 301	1 398 303	1 430 527

SCHEDULE 3

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

Number	Municipality	National Financial Year			
		Column A	Column B		
		2015/16	Forward Estimates		
			2016/17	2017/18	
	R'000	R'000	R'000		
NORTH WEST					
B	NW371	Moretele	260 987	269 294	271 533
B	NW372	Madibeng	457 443	507 593	555 314
B	NW373	Rustenburg	399 145	455 618	515 886
B	NW374	Kgetlengrivier	57 478	60 970	64 225
B	NW375	Moses Kotane	322 570	331 216	335 664
C	DC37	Bojanala Platinum District Municipality	294 712	303 734	310 947
Total: Bojanala Platinum Municipalities			1 792 335	1 928 425	2 053 569
B	NW381	Ratlou	99 822	99 176	95 982
B	NW382	Tswaing	86 304	86 267	84 724
B	NW383	Mafikeng	173 855	176 464	175 874
B	NW384	Ditsobotla	88 789	88 817	88 273
B	NW385	Ramotshere Moiloa	127 415	128 238	125 571
C	DC38	Ngaka Modiri Molema District Municipality	510 260	551 951	595 833
Total: Ngaka Modiri Molema Municipalities			1 086 445	1 130 913	1 166 257
B	NW392	Naledi	39 618	39 704	39 615
B	NW393	Mamusa	43 070	43 537	43 217
B	NW394	Greater Taung	171 557	171 806	166 657
B	NW396	Lekwa-Teemane	37 480	38 081	38 118
B	NW397	NW397	102 421	101 937	98 604
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	260 500	283 870	305 823
Total: Dr Ruth Segomotsi Mompati Municipalities			654 646	678 935	692 034
B	NW401	Ventersdorp	63 366	66 182	68 344
B	NW402	Tlokwe	119 625	133 969	149 587
B	NW403	City of Matlosana	339 737	335 009	339 718
B	NW404	Maquassi Hills	91 878	92 709	93 814
C	DC40	Dr Kenneth Kaunda District Municipality	165 682	169 296	172 358
Total: Dr Kenneth Kaunda Municipalities			780 288	797 165	823 821
Total: North West Municipalities			4 313 714	4 535 438	4 735 681

SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2015/16	Forward Estimates	
		2016/17	2017/18	
		R'000	R'000	R'000
WESTERN CAPE				
A	CPT City of Cape Town	1 809 797	2 036 500	2 263 607
B	WC011 Matzikama	41 409	42 968	45 926
B	WC012 Cederberg	34 235	36 690	39 235
B	WC013 Bergrivier	30 454	33 442	36 704
B	WC014 Saldanha Bay	55 497	62 559	69 815
B	WC015 Swartland	51 772	60 348	68 762
C	DC1 West Coast District Municipality	80 458	82 466	83 957
Total: West Coast Municipalities		293 825	318 473	344 399
B	WC022 Witzenberg	54 850	59 924	65 615
B	WC023 Drakenstein	96 845	106 929	117 664
B	WC024 Stellenbosch	84 962	97 590	109 738
B	WC025 Breede Valley	81 661	88 862	96 734
B	WC026 Langeberg	57 378	58 933	62 262
C	DC2 Cape Winelands District Municipality	217 006	220 761	224 219
Total: Cape Winelands Municipalities		592 702	632 999	676 232
B	WC031 Theewaterskloof	63 908	68 752	74 003
B	WC032 Overstrand	64 598	72 270	79 604
B	WC033 Cape Agulhas	20 679	22 195	23 939
B	WC034 Swellendam	21 922	22 885	24 591
C	DC3 Overberg District Municipality	51 338	52 532	53 057
Total: Overberg Municipalities		222 445	238 634	255 194
B	WC041 Kannaland	22 391	22 534	22 673
B	WC042 Hessequa	31 529	33 203	35 792
B	WC043 Mossel Bay	63 673	69 978	76 343
B	WC044 George	100 693	110 264	121 141
B	WC045 Oudtshoorn	54 373	57 338	60 437
B	WC047 Bitou	57 298	65 012	71 575
B	WC048 Knysna	56 163	62 237	67 761
C	DC4 Eden District Municipality	138 902	142 206	145 104
Total: Eden Municipalities		525 022	562 772	600 826
B	WC051 Laingsburg	12 015	12 315	12 427
B	WC052 Prince Albert	15 247	16 035	16 556
B	WC053 Beaufort West	44 160	46 322	48 220
C	DC5 Central Karoo District Municipality	19 324	19 700	19 476
Total: Central Karoo Municipalities		90 746	94 372	96 679
Total: Western Cape Municipalities		3 534 537	3 883 750	4 236 937
Unallocated		-	26 315	27 492
National Total		50 207 698	52 868 706	55 512 141

SCHEDULE 4, PART A

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

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2015/16	2016/17	2017/18	Forward Estimates
Agriculture, Forestry and Fisheries (Vote 24)	Comprehensive Agricultural Support Programme Grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land restitution and redistribution, and other previously disadvantaged 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	R'000	R'000	R'000	R'000
				Free State	261 909	268 611	284 877	284 877
				Gauteng	171 012	179 444	190 987	190 987
				KwaZulu-Natal	82 454	89 132	97 177	97 177
				Limpopo	226 161	230 344	245 823	245 823
				Mpumalanga	261 844	268 169	280 768	280 768
				Northern Cape	169 684	184 014	189 221	189 221
				North West	135 768	134 729	148 302	148 302
				Western Cape	195 066	177 970	191 604	191 604
				Western Cape	147 054	169 411	179 981	179 981
	TOTAL				1 650 952	1 701 824	1 808 740	1 808 740
Basic Education (Vote 14)	(a) Education Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation; to enhance capacity to deliver infrastructure in education; to address damage to infrastructure caused by natural disasters.	General conditional allocation to provinces	Eastern Cape	1 703 877	1 532 003	1 400 000	1 400 000
				Free State	762 553	707 553	742 931	742 931
				Gauteng	935 725	1 274 825	1 428 566	1 428 566
				KwaZulu-Natal	1 978 683	1 857 648	1 950 530	1 950 530
				Limpopo	805 128	845 384	953 589	953 589
				Mpumalanga	857 247	802 247	842 359	842 359
				Northern Cape	446 998	359 545	300 000	300 000
				North West	995 107	853 678	842 359	842 359
				Western Cape	1 032 237	874 263	860 226	860 226
				Unallocated	-	666 546	1 010 002	1 010 002
	TOTAL				9 517 555	9 773 692	10 330 562	10 330 562
	(b) Occupational Specific Dispensation for Education Sector Therapists Grant	To augment the baseline compensation budget of the Provincial Education Departments (PEDs) to enable them to comply with the Education Labour Relations Council Collective Agreement 1 of 2012.	General conditional allocation to provinces	Eastern Cape	2 067	-	-	-
				Free State	5 775	-	-	-
				Gauteng	29 442	-	-	-
				KwaZulu-Natal	13 079	-	-	-
				Limpopo	-	-	-	-
				Mpumalanga	337	-	-	-
Northern Cape	2	-	-	-				
North West	446	-	-	-				
Western Cape	15 852	-	-	-				
	TOTAL				67 000	-	-	-

SCHEDULE 4, PART A

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

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2015/16	2016/17	2016/17	2017/18
Health (Vote 16)	(a) Health Professions Training and Development Grant	Support provinces to fund service costs associated with training health science trainees on the public service platform.	Nationally assigned function to provinces	Eastern Cape	R'000	R'000	R'000	R'000
				Free State	204 430	213 212	226 566	165 971
				Gauteng	149 756	156 189	165 971	919 438
				KwaZulu-Natal	829 604	865 244	919 438	331 943
				Limpopo	299 513	312 377	331 943	131 724
				Mpumalanga	118 855	123 960	131 724	108 013
				Northern Cape	97 460	101 646	108 013	86 939
				North West	78 445	81 815	86 939	118 552
				Western Cape	106 970	111 565	118 552	542 703
				TOTAL	2 374 722	2 476 724	2 631 849	
	(b) National Tertiary Services Grant	Ensure provision of tertiary health services for all South African citizens; to compensate tertiary facilities for the additional costs associated with provision of these services.	Nationally assigned function to provinces	Eastern Cape	803 770	838 458	890 973	
				Free State	918 387	958 021	1 018 025	
				Gauteng	3 572 856	3 727 048	3 960 484	
				KwaZulu-Natal	1 530 246	1 596 286	1 696 266	
				Limpopo	330 462	344 723	366 314	
				Mpumalanga	99 311	103 597	110 086	
				Northern Cape	305 477	318 661	338 620	
				North West	242 625	253 096	268 948	
				Western Cape	2 594 901	2 706 888	2 876 429	
	TOTAL				10 398 035	10 846 778	11 526 145	

SCHEDULE 4, PART A

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

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2015/16	2016/17	2017/18	Forward Estimates
Transport (Vote 35)	(a) Provincial Roads Maintenance Grant	To supplement provincial investments for routine, periodic and special maintenance; to ensure all roads are classified as per the Road Infrastructure Strategic Framework for South Africa and the Road Classification and Access Management guidelines; to implement and maintain Road Asset Management Systems; to supplement provincial projects for the repair of roads and bridges damaged by declared natural disasters; to improve the state of the road network serving electricity generation infrastructure; to improve road safety with a special focus on pedestrian safety in rural areas.	General conditional allocation to provinces	Eastern Cape	R'000	R'000	R'000	R'000
				Free State	1 289 151	1 320 312	1 408 404	1 296 144
				Gauteng	1 142 796	1 209 539	1 296 144	516 986
				KwaZulu-Natal	455 821	482 443	516 986	
				Limpopo	1 779 255	1 851 165	1 983 711	1 155 155
				Mpumalanga	994 762	1 056 656	1 155 155	1 765 199
				Northern Cape	1 719 418	1 656 521	1 765 199	932 790
				North West	822 430	870 464	932 790	893 808
				Western Cape	788 060	834 086	893 808	855 838
				TOTAL	9 850 655	10 137 962	10 808 035	
	(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	199 595	208 115	221 150	244 499
Free State				220 669	230 088	244 499	2 060 920	
				Gauteng	1 860 048	1 939 446	2 060 920	
				KwaZulu-Natal	924 766	964 241	1 024 634	330 512
				Limpopo	298 298	311 031	330 512	556 513
				Mpumalanga	502 272	523 712	556 513	49 757
				Northern Cape	44 907	46 824	49 757	102 282
				North West	92 313	96 253	102 282	882 604
				Western Cape	796 580	830 582	882 604	
	TOTAL				4 939 448	5 150 292	5 472 871	

SCHEDULE 4, PART B
ALLOCATIONS TO MUNICIPALITIES TO SUPPLEMENT THE FUNDING OF FUNCTIONS FUNDED FROM MUNICIPAL BUDGETS

Vote	Name of allocation	Purpose	City	Column A		Column B	
				2015/16	2016/17	2017/18	
Human Settlements (Vote 38)	Urban Settlements Development Grant	Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households.	Buffalo City	R'000	R'000	R'000	
				713 132	748 370	791 090	
			City of Cape Town	1 387 760	1 456 336	1 539 467	
			City of Johannesburg	1 731 220	1 816 766	1 920 473	
			City of Tshwane	1 500 683	1 574 837	1 664 734	
			Ekurhuleni	1 842 887	1 933 951	2 044 348	
			eThekweni	1 838 336	1 929 176	2 039 299	
			Mangaung	693 847	728 133	769 697	
			Nelson Mandela Bay	846 480	888 308	939 015	
			TOTAL	10 554 345	11 075 877	11 708 123	
National Treasury (Vote 7)	Integrated City Development Grant	To provide a financial incentive for metropolitan municipalities to achieve a more compact urban spatial form through integrating and focussing their use of available infrastructure investment and regulatory instruments.	Buffalo City	5 605	9 891	10 829	
			City of Cape Town	50 826	48 982	53 629	
			City of Johannesburg	49 327	58 082	63 592	
			City of Tshwane	39 702	38 262	41 892	
			Ekurhuleni	43 194	41 627	45 577	
			eThekweni	46 781	45 083	49 361	
			Mangaung	10 157	9 789	10 718	
			Nelson Mandela Bay	5 708	15 089	16 521	
			TOTAL	251 300	266 805	292 119	

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2015/16 R'000	2016/17 R'000	2017/18 R'000
Agriculture, Forestry and Fisheries (Vote 24)	(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	50 131	63 876	67 356
				Free State	60 990	59 447	63 178
				Gauteng	24 234	26 059	27 673
				KwaZulu-Natal	69 402	63 876	67 356
				Limpopo	50 337	63 876	67 356
				Mpumalanga	46 270	49 136	52 213
				Northern Cape	69 460	55 050	58 480
				North West	50 337	59 450	63 178
				Western Cape	49 607	50 593	55 349
				TOTAL	470 768	491 363	522 139
Arts and Culture (Vote 37)	(b) Land Care Programme Grant: Poverty Relief and Infrastructure Development	To promote sustainable use and management of natural resources by engaging in community-based 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	10 666	11 155	11 812
				Free State	5 275	5 493	5 865
				Gauteng	4 601	4 785	5 123
				KwaZulu-Natal	10 666	11 157	11 812
				Limpopo	10 001	10 456	11 072
				Mpumalanga	5 948	6 201	6 608
				Northern Cape	7 302	7 616	8 094
				North West	7 971	8 324	8 838
				Western Cape	3 933	4 078	4 380
				TOTAL	66 363	69 265	73 604
Arts and Culture (Vote 37)	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	143 694	150 431	159 750
				Free State	155 776	158 869	162 662
				Gauteng	155 693	164 450	176 073
				KwaZulu-Natal	157 696	164 273	176 737
				Limpopo	112 156	116 407	124 831
				Mpumalanga	150 325	156 400	166 420
				Northern Cape	147 121	153 424	166 645
				North West	130 096	137 605	144 735
				Western Cape	158 469	165 273	174 907
				TOTAL	1 311 026	1 367 132	1 452 760

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2015/16	Forward Estimates	2016/17
					R'000	R'000	R'000
Basic Education (Vote 14)	(a) 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 sexually transmitted infections (STIs), with a particular focus on orphaned and vulnerable children.	Conditional allocation	Eastern Cape	37 086	39 591	41 936
				Free State	10 462	12 967	13 980
				Gauteng	29 945	32 449	34 436
				KwaZulu-Natal	50 588	53 096	56 115
				Limpopo	30 875	33 310	35 339
				Mpumalanga	19 631	18 798	20 102
				Northern Cape	5 281	5 281	5 547
				North West	17 531	16 629	17 825
				Western Cape	19 631	18 728	20 028
				TOTAL	221 030	230 849	245 308
	(b) Maths, Science and Technology Grant	To provide support and resources to schools, teachers and learners for the improvement of Mathematics, Sciences and Technology (MST) teaching and learning at selected public schools; to improve the achievement of learner participation and success rates, teacher demand, supply, utilisation, development and support, school resourcing and partnerships, consistent with targets set in the Action Plan 2019 and the National Development Plan.	Conditional allocation	Eastern Cape	45 059	46 898	48 907
				Free State	32 145	33 466	35 963
				Gauteng	47 842	49 810	53 493
				KwaZulu-Natal	59 998	62 452	63 882
				Limpopo	40 979	42 553	45 019
				Mpumalanga	39 136	41 639	41 978
				Northern Cape	22 113	23 030	25 858
				North West	33 378	34 754	37 606
				Western Cape	26 535	27 842	32 439
				TOTAL	347 185	362 444	385 145

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2015/16	2016/17	Forward Estimates	2017/18
Basic Education (Vote 14)	(c) National School Nutrition Programme Grant	To provide nutritious meals and deworming to targeted learners.	Conditional allocation	Eastern Cape	R'000	R'000	R'000	
				Free State	1 020 116	1 074 182	1 127 891	
				Gauteng	317 157	333 966	350 665	
				KwaZulu-Natal	678 974	714 960	750 709	
				Limpopo	1 287 034	1 355 247	1 423 009	
				Mpumalanga	1 030 799	1 085 431	1 139 703	
				Northern Cape	545 910	574 843	603 585	
				North West	142 724	150 289	157 803	
				Western Cape	381 566	401 789	421 878	
					299 435	315 305	331 070	
	TOTAL	5 703 715	6 006 012	6 306 313				
Health (Vote 16)	(a) Comprehensive HIV and AIDS Grant	To enable the health sector to develop an effective response to HIV and AIDS and TB; to support the national Department of Health Emergency Plan for AIDS Relief transition process.	Conditional allocation	Eastern Cape	R'000	R'000	R'000	
				Free State	1 577 065	1 775 590	2 002 178	
				Gauteng	911 946	1 026 745	1 157 770	
				KwaZulu-Natal	2 928 300	3 296 924	3 717 652	
				Limpopo	3 813 094	4 293 096	4 840 948	
				Mpumalanga	1 056 975	1 190 031	1 341 893	
				Northern Cape	927 214	1 043 934	1 177 153	
				North West	371 253	417 987	471 327	
				Western Cape	1 012 984	1 140 501	1 286 043	
					1 138 481	1 281 795	1 445 369	
	TOTAL	13 737 312	15 466 603	17 440 333				
Health (Vote 16)	(b) Health Facility Revitalisation Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including: health technology, organisational development systems and quality assurance; to enhance capacity to deliver health infrastructure.	Conditional allocation	Eastern Cape	R'000	R'000	R'000	
				Free State	592 073	533 068	559 721	
				Gauteng	564 950	492 698	492 698	
				KwaZulu-Natal	313 630	697 868	841 234	
				Limpopo	1 229 775	1 047 521	1 099 898	
				Mpumalanga	194 255	393 468	443 141	
				Northern Cape	287 942	291 839	336 431	
				North West	593 591	380 727	378 727	
				Western Cape	695 404	498 657	496 657	
				Unallocated	804 142	589 566	587 460	
	-	547 268	581 043					
	TOTAL	5 275 762	5 472 680	5 817 010				

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2015/16 R'000	Forward Estimates 2016/17	2017/18 R'000
Health (Vote 16)	(c) National Health Insurance Grant	Test innovations in health services delivery and provision for implementing National Health Insurance, allowing for each district to interpret and design innovations relevant to its specific context in line with the vision for realising universal health coverage for all; to undertake health system strengthening activities in identified focus areas; to assess the effectiveness of interventions/activities undertaken in the districts funded through this grant.	Conditional allocation	Eastern Cape	7 204	7 543	8 016
				Free State	7 204	7 543	8 016
				Gauteng	7 204	7 543	8 013
				KwaZulu-Natal	14 408	15 086	16 032
				Limpopo	7 204	7 543	8 016
				Mpumalanga	7 206	7 546	8 016
				Northern Cape	7 204	7 543	8 016
				North West	7 204	7 543	8 016
				Western Cape	7 204	7 543	8 016
				TOTAL	72 042	75 433	80 157
Human Settlements (Vote 38)	Human Settlements Development Grant	To provide funding for the creation of sustainable and integrated human settlements.	Conditional allocation	Eastern Cape	1 962 372	2 167 156	2 332 862
				Free State	1 057 284	1 210 630	1 285 972
				Gauteng	4 979 844	5 473 336	5 769 301
				KwaZulu-Natal	3 235 475	3 414 957	3 632 106
				Limpopo	1 283 877	1 311 709	1 362 651
				Mpumalanga	1 265 162	1 419 973	1 488 961
				Northern Cape	380 408	402 276	427 374
				North West	2 063 131	2 297 286	2 435 403
				Western Cape	1 975 122	2 186 668	2 325 713
				TOTAL	18 202 675	19 883 991	21 060 343
Public Works (Vote 11)	(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 Expanded Public Works Programme guidelines: road maintenance and the maintenance of buildings, low traffic volume roads and rural roads, other economic and social infrastructure, tourism and cultural industries, sustainable land based livelihoods and waste management.	Conditional allocation	Eastern Cape	75 937	-	-
				Free State	22 825	-	-
				Gauteng	24 627	-	-
				KwaZulu-Natal	90 143	-	-
				Limpopo	25 115	-	-
				Mpumalanga	36 810	-	-
				Northern Cape	17 723	-	-
				North West	33 061	-	-
				Western Cape	24 371	-	-
				Unallocated	-	402 009	423 802
TOTAL	350 612	402 009	423 802				

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2015/16	2017/18	2016/17	Forward Estimates
					R'000	R'000	R'000	R'000
Public Works (Vote 11)	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial social sector departments, identified in the 2014 Social Sector Expanded Public Works Programme log-frame to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential.	Conditional allocation	Eastern Cape	11 054	-	-	-
				Free State	21 379	-	-	-
				Gauteng	72 702	-	-	-
				KwaZulu-Natal	21 502	-	-	-
				Limpopo	26 935	-	-	-
				Mpumalanga	29 733	-	-	-
				Northern Cape	16 004	-	-	-
				North West	31 254	-	-	-
				Western Cape	10 000	-	-	-
				Unallocated	-	359 662	-	385 583
	TOTAL			240 563	359 662	385 583		
Social Development (Vote 17)	Substance Abuse Treatment Grant	To provide funding for the construction of substance dependency treatment facilities in the provinces of Eastern Cape, Free State, Northern Cape and North West.	Conditional allocation	Eastern Cape	2 000	-	-	-
				Free State	6 500	29 500	-	-
				Gauteng	-	-	-	-
				KwaZulu-Natal	-	-	-	-
				Limpopo	-	-	-	-
				Mpumalanga	-	-	-	-
				Northern Cape	22 000	18 000	-	-
				North West	17 000	-	-	-
				Western Cape	-	-	-	-
					TOTAL			47 500
Sport and Recreation South Africa (Vote 40)	Mass Participation and Sport Development Grant	To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders.	Conditional allocation	Eastern Cape	61 066	69 031	73 173	-
				Free State	64 526	42 574	45 128	-
				Gauteng	89 864	101 586	107 680	-
				KwaZulu-Natal	89 191	91 254	96 730	-
				Limpopo	63 459	63 086	66 870	-
				Mpumalanga	44 039	51 706	54 808	-
				Northern Cape	29 181	32 986	36 444	-
				North West	40 752	46 067	48 832	-
				Western Cape	55 216	62 418	66 163	-
					TOTAL			537 294

SCHEDULE 5, PART B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A		Column B	
			R'000		R'000	
			2015/16	2016/17	2017/18	Forward Estimates
			R'000		R'000	
	RECURRENT GRANTS					
Cooperative Governance and Traditional Affairs (Vote 4)	(a) Municipal Demarcation Transition Grant	To subsidise the additional institutional and administrative costs arising from type C boundary changes due to come into effect at the time of the 2016 local government elections.	39 000	50 000	50 000	50 000
	(b) Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislations.	251 442	258 540	278 957	278 957
Energy (Vote 26)	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.	177 899	185 625	203 236	203 236
Human Settlements (Vote 38)	Municipal Human Settlements Capacity Grant	To build capacity in municipalities to deliver and subsidise the operational costs of administering human settlements programmes.	100 000	100 000	115 000	115 000
National Treasury (Vote 7)	(a) Infrastructure Skills Development Grant	To recruit unemployed graduates in municipalities to be trained as per the requirements of the relevant Statutory Councils within the built environment.	124 465	130 471	140 774	140 774
	(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.	452 491	465 264	502 006	502 006
Public Works (Vote 11)	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 Expanded Public Works Programme 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 programme, health service programme and community safety programme.	587 685	663 991	716 427	716 427
Water and Sanitation (Vote 36)	Water Services Operating Subsidy Grant	To subsidise, refurbish and restore the functionality of water services schemes previously owned and/or operated by the Department of Water and Sanitation or by other agencies on behalf of the department.	452 915	465 701	502 477	502 477
		TOTAL		2 185 897	2 319 592	2 508 877

SCHEDULE 5, PART B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A	Column B	
			2015/16	Forward Estimates	2017/18
			R'000	R'000	R'000
INFRASTRUCTURE GRANTS					
Cooperative Governance and Traditional Affairs (Vote 4)	(a) Municipal Disaster Recovery Grant	To rehabilitate and reconstruct disaster damaged municipal infrastructure.	188 900	140 000	-
	(b) Municipal Infrastructure Grant	To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.	14 955 762	15 547 855	16 435 376
Energy (Vote 26)	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.	1 980 340	2 036 246	2 197 048
National Treasury (Vote 7)	Neighbourhood Development Partnership Grant	To plan, catalyse and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life and the levels of access to opportunities for residents in South Africa's under-served neighbourhoods, generally townships.	607 000	624 000	663 390
Transport (Vote 35)	(a) Public Transport Network Grant	To provide funding for accelerated construction, improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network and to support the planning, regulation, control, management and operations of financially sustainable municipal public transport network services.	5 953 090	6 162 691	6 609 895
	(b) Rural Roads Asset Management Systems Grant	To assist rural district municipalities to set up rural Road Asset Management Systems, and collect road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa.	96 842	101 514	107 309
Water and Sanitation (Vote 36)	(a) 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 water supply service.	1 803 932	1 185 802	1 773 142
	(b) Rural Households Infrastructure Grant	To provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable.	48 182	113 479	124 245
TOTAL			25 634 048	25 911 587	27 910 405

SCHEDULE 6, PART A
ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A		Column B	
			2015/16	Forward Estimates	2016/17	2017/18
Basic Education (Vote 14)	School Infrastructure Backlogs Grant	Eradication of entire inappropriate school infrastructure; provision of water, sanitation and electricity to schools.	R'000 2 046 825	R'000 2 374 867	R'000 2 619 873	
Health (Vote 16)	National Health Grant	To address capacity constraints in 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; to fund the introduction of the Human Papillomavirus vaccination programme in schools.	1 411 250	1 221 024	1 347 002	
		TOTAL	3 458 075	3 595 891	3 966 875	

SCHEDULE 6, PART B

ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A		Column B	
			2015/16	2016/17	Forward Estimates	2017/18
			R'000		R'000	
Cooperative Governance and Traditional Affairs (Vote 4)	(a) Municipal Infrastructure Grant	To provide specific capital finance for erecting basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.	-	-	-	-
	(b) Municipal Demarcation Transition Grant	To subsidise the additional institutional and administrative costs arising from type C boundary changes due to come into effect at the time of the 2016 local government elections.	-	-	-	-
Energy (Vote 26)	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 in Eskom licenced areas.	3 613 243	3 776 334	3 946 154	
Human Settlements (Vote 38)	Urban Settlements Development Grant	Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households.	-	-	-	-
National Treasury (Vote 7)	Neighbourhood Development Partnership Grant	To plan, catalyse and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life and the levels of access to opportunity for residents in South Africa's under-served neighbourhoods, generally townships.	25 895	22 209	27 744	
Water and Sanitation (Vote 36)	(a) Bucket Eradication Programme Grant	To provide funding for the eradication of bucket sanitation.	975 399	-	-	-
	(b) Municipal Water Infrastructure Grant	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service.	791 729	1 511 545	2 087 122	
	(c) Regional Bulk Infrastructure Grant	To develop new, refurbish, upgrade and replace ageing 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. To develop new, refurbish, upgrade and replace ageing waste water infrastructure of regional significance. To pilot regional Water Demand Management and Water Conservation projects or facilitate and contribute to the implementation of local Water Demand Management and Water Conservation projects that will directly have an impact on the bulk infrastructure requirements.	4 921 654	5 323 602	4 854 782	
	(d) Rural Households Infrastructure Grant	To provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable.	67 328	-	-	-
TOTAL			10 395 248	10 633 690	10 915 802	

SCHEDULE 7, PART A

UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2015/16	Forward Estimates 2016/17	Forward Estimates 2017/18
Cooperative Governance and Traditional Affairs (Vote 4)	Provincial Disaster Grant	To provide for the immediate release of funds for disaster response.	R'000 103 194	R'000 111 545	R'000 123 432
		TOTAL	103 194	111 545	123 432

SCHEDULE 7 PART B

UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2015/16	Forward Estimates 2016/17	Forward Estimates 2017/18
Cooperative Governance and Traditional Affairs (Vote 4)	Municipal Disaster Grant	To provide for the immediate release of funds for disaster response.	R'000 261 149	R'000 269 922	R'000 300 281
		TOTAL	261 149	269 922	300 281

MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2015

1. BACKGROUND

- 1.1 Section 214(1) of the Constitution of the Republic of South Africa, 1996, (“the Constitution”) requires that an Act of Parliament must provide for—
 - (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 for any conditions on which those allocations may be made.
- 1.2 Section 10 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), requires that, as part of the process of the enactment of the Act of Parliament referred to in paragraph 1.1, each year when the annual budget is introduced, the Minister of Finance must introduce in the National Assembly a Division of Revenue Bill (“the Bill”) for the financial year to which that budget relates.
- 1.3 The Intergovernmental Fiscal Relations Act, 1997, requires that the Bill be accompanied by a memorandum explaining—
 - (a) how the Bill takes account of each of the matters listed in section 214(2)(a) to (j) of the Constitution;
 - (b) the extent to which account was taken of any recommendations of the Financial and Fiscal Commission (“the FFC”) that were submitted to the Minister of Finance or were raised during consultations with the FFC; and
 - (c) any assumptions or formulae used in arriving at the respective shares of the three spheres of government and the division of the provincial share between the nine provinces.
- 1.4 In terms of section 7(4) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), when tabling the budget, a report must also be tabled that responds to the recommendations made in the reports by the Parliamentary Committees on Finance on the proposed fiscal framework in the Medium Term Budget Policy Statement and the reports by the Committees on Appropriations regarding the proposed division of revenue and the conditional allocations to provinces and local government as contained in the Medium Term Budget Policy Statement. The report must explain how the Bill and the national budget give effect to, or the reasons for not taking into account, the recommendations contained in the Committee reports.
- 1.5 The memorandum referred to in paragraph 1.3 is attached to this Memorandum and will also be attached as “Annexure W1” to the Budget Review, and the report referred to in paragraph 1.4 will be tabled with the budget.
- 1.6 The Bill is introduced in compliance with the Constitution, the Intergovernmental Fiscal Relations Act, 1997, and the Money Bills Amendment Procedure and Related Matters Act, 2009, as set out in paragraphs 1.1 to 1.4.
- 1.7 The allocations contemplated in section 214(1) of the Constitution are set out in the following Schedules to the Bill:
 - *Schedule 1* contains the equitable shares of the three spheres of government;
 - *Schedule 2* sets out provincial equitable share allocations;
 - *Schedule 3* sets out local government equitable share allocations per municipality;

- *Schedules 4 to 7* deal with grant allocations for provinces and municipalities, including allocations to supplement funding of functions funded from provincial and municipal budgets, specific purpose allocations, allocations-in-kind (indirect transfers to provinces and local government) and the release of funds to provinces and municipalities for disaster response.

2. SUMMARY OF BILL

The following is a brief summary of the Bill:

- *Clause 1* contains definitions;
- *Clause 2* sets out the objects of the Bill, which are to provide for the equitable division of revenue raised nationally among the three spheres and to promote predictability and certainty in respect of allocations to provinces and municipalities as well as transparency and accountability in the resource allocation process;
- *Clause 3* provides for the equitable division of anticipated revenue raised nationally among the national, provincial and local spheres of government, which is set out in Schedule 1;
- *Clause 4* provides for each province's equitable share, which is set out in Schedule 2, and that it must be transferred in terms of a payment schedule;
- *Clause 5* provides for each municipality's equitable share of revenue, which is set out in Schedule 3 and that it must be transferred in terms of a payment schedule;
- *Clause 6* determines what must happen if actual revenue raised falls short or is in excess of anticipated revenue for the financial year, and allows for additional conditional and unconditional allocations from the national government's portion of the equitable share or excess revenue;
- *Clause 7* provides for conditional allocations to provinces in Part A of Schedules 4 to 7;
- *Clause 8* provides for conditional allocations to municipalities in Part B of Schedules 4 to 7;
- *Clauses 9 and 10* set out the duties of a transferring officer in respect of Schedules 4, 5 and 6 allocations;
- *Clauses 11 and 12* set out the duties of a receiving officer in respect of Schedules 4, 5 and 7 allocations;
- *Clauses 13 and 14* set out the additional duties of a receiving officer in respect of infrastructure conditional allocations to provinces and to metropolitan municipalities;
- *Clause 15* prescribes the duties in respect of annual financial statements and annual reports for the 2015/16 financial year;
- *Clause 16* requires the publication of certain allocations and all conditional allocation frameworks in the *Government Gazette*;
- *Clause 17* requires that spending must only be in accordance with the purpose and subject to the conditions set out in the grant frameworks for Schedule 4 to 7 allocations, and sets out funding related arrangements if a function partially or fully funded by a conditional allocation is assigned by a province to a municipality;
- *Clauses 18 and 19* provide for the withholding and stopping of allocations;

- *Clause 20* provides for the re-allocation of funds;
- *Clause 21* provides for the possible conversion of certain allocations in order to prevent under-spending on the allocation, if the affected national or provincial department has demonstrated the capacity to implement projects;
- *Clause 22* provides for the management of unspent conditional allocations;
- *Clauses 23 and 24* provide for payment schedules and their amendment;
- *Clause 25* provides for the recovery of any allocation transferred in error or fraudulently;
- *Clause 26* provides for allocations not listed in the Schedules;
- *Clause 27* provides for preparations for the 2016/17 and 2017/18 financial years;
- *Clause 28* deals with transfers before the commencement of the Division of Revenue Act for the 2016/2017 financial year and the conditions attached to such transfers;
- *Clause 29* sets out the duties of municipalities;
- *Clause 30* sets out the duties and powers of provincial treasuries;
- *Clause 31* sets out the duties and powers of the National Treasury;
- *Clauses 32 to 37* provide for general matters such as liability for costs incurred in violation of principles of co-operative governance and intergovernmental relations, irregular expenditure, financial misconduct, delegations and assignments, exemptions and the power of the Minister of Finance to make regulations;
- *Clauses 38 to 39* provide for the repeal of laws and the short title and commencement.

3. ORGANISATIONS AND INSTITUTIONS CONSULTED

The following institutions were consulted on the Bill—

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

4. FINANCIAL IMPLICATIONS TO THE STATE

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

5. CONSTITUTIONAL IMPLICATIONS

The Bill gives effect to section 214 of the Constitution.

6. PARLIAMENTARY PROCEDURE

- 6.1 The State Law Advisers and the National Treasury are of the opinion that this Bill must be dealt with in accordance with the procedure prescribed by section 76(1) of the Constitution, since it provides for legislation envisaged in Chapter 13 of the Constitution, and it includes provisions affecting the

financial interests of the provincial sphere of government, as contemplated in section 76(4)(b) of the Constitution.

- 6.2 The State Law Advisers are of the opinion that it is not necessary to refer this Bill to the National House of Traditional Leaders in terms of section 18(1)(a) of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003), since it does not contain provisions pertaining to customary law or the customs of traditional communities.

DIVISION OF REVENUE ATTACHMENTS

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**EXPLANATORY MEMORANDUM
TO THE DIVISION OF REVENUE**

(Website “Annexure W1” to the 2015 Budget Review)

W1

Explanatory memorandum to the division of revenue

■ Background

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

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

This explanatory memorandum to the 2015 Division of Revenue Bill fulfils the requirement set out in section 10(5) of the Intergovernmental Fiscal Relations Act that the bill be accompanied by an explanatory memorandum detailing how it takes account of the matters listed in sections 214(2)(a) to (j) of the Constitution, government's response to the FFC's recommendations, and any assumptions and formulas used in arriving at the respective divisions among provinces and municipalities. This explanatory memorandum has six sections:

- Part 1 lists the factors that inform the division of resources between national, provincial and local government.
- Part 2 describes the 2015 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2015 division of revenue have been taken into account.
- Part 4 explains the formula and criteria for the division of the provincial equitable share and conditional grants among provinces.

- Part 5 sets out the formula and criteria for the division of the local government equitable share and conditional grants among municipalities.
- Part 6 summarises issues that will form part of subsequent reviews of provincial and local government fiscal frameworks.

The Division of Revenue Bill and its underlying allocations are the result of extensive consultation between national, provincial and local government. The Budget Council deliberated on the matters discussed in this memorandum at several meetings during the year. The approach to local government allocations was discussed with organised local government at technical meetings with the South African Local Government Association (SALGA), culminating in meetings of the Budget Forum (the Budget Council and SALGA). An extended Cabinet meeting involving ministers, provincial premiers and the SALGA chairperson was held in October 2014. The division of revenue, and the government priorities that underpin it, was agreed for the next three years.

■ Part 1: Constitutional considerations

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

National interest and the division of resources

The national interest is encapsulated by governance goals that benefit the nation as a whole. The National Development Plan, endorsed by Cabinet in November 2012, sets out a long-term vision for the country's development. This is complemented by the strategic integrated projects overseen by the Presidential Infrastructure Coordinating Council and the 14 priority outcomes adopted by Cabinet in 2014 for the 2014–2019 Medium Term Strategic Framework. In the 2014 *Medium Term Budget Policy Statement*, the Minister of Finance outlined how the resources available to government over the 2015 medium-term expenditure framework (MTEF) would be allocated to help achieve these goals. Chapter 4 of the 2014 *Medium Term Budget Policy Statement* and Chapters 5 and 6 of the 2015 *Budget Review* discuss how funds have been allocated across the three spheres of government based on these priorities. The frameworks for each conditional grant allocated as part of the division of revenue also note how the grant is linked to the 14 priority outcomes.

Provision for debt costs

The resources shared between national, provincial and local government include proceeds from national government borrowing used to fund public spending. National government provides for the resulting debt costs to protect the country's integrity and credit reputation. A more detailed discussion can be found in Chapter 7 of the 2015 *Budget Review*.

National government's needs and interests

The Constitution assigns exclusive and concurrent powers and functions to each sphere of government. National government is exclusively responsible for functions that serve the national interest and are best centralised. National and provincial government have concurrent responsibility for a range of functions. Provincial and local government receive equitable shares and conditional grants to enable them to provide basic services and perform their functions. Functions may shift between spheres of government to better meet government's needs. The division of revenue responds to this by modifying the funding arrangements. For example, in 2015/16 the port health and further education and training functions will shift from provincial to national government, so the funds for these functions will move from the provincial equitable share and conditional grants to the budgets of the national departments of Health and

Higher Education and Training. Changes continue to be made to various national transfers to provincial and local government to improve their efficiency, effectiveness and alignment with national strategic objectives.

Provincial and local government basic services

Provinces and municipalities are assigned service delivery functions such as education, health, social development, housing, roads, and provision of electricity, water and municipal infrastructure. They have significant autonomy to allocate resources to meet basic needs and respond to provincial and local priorities, while also giving effect to national objectives. The division of revenue provides equitable shares to provinces and local government, together with conditional grants for basic service delivery.

Baseline reductions to the provincial and local fiscal frameworks in this year's division of revenue have been structured to minimise the effect on basic service delivery. For example, the *comprehensive HIV and AIDS grant* to provinces and the local government equitable share have not been reduced. Transfers to local government have grown significantly in recent years, providing municipalities with greater resources to deliver basic services. This is in addition to local government's substantial own-revenue-raising powers.

The 2015 division of revenue has made additional resources available to accelerate the rollout of water and sanitation infrastructure, and a new grant to municipalities affected by the 2016 boundary changes will help minimise any negative effects that the transition may have on service delivery.

Fiscal capacity and efficiency

National government has primary revenue-raising powers. Provinces have limited revenue-raising capacity and the resources required to deliver provincial functions do not lend themselves to self-funding or cost recovery. Municipalities finance most of their expenditure through property rates, user charges and fees. However, rural municipalities raise significantly less revenue than larger urban and metropolitan municipalities. Due to their limited revenue-raising potential and their responsibility to implement government priorities, provinces receive a larger share of nationally raised revenue than local government.

Local government's share of revenue has increased from 3 per cent in 2000/01 to 9 per cent over the 2015 MTEF period. A review of the local government equitable share was completed in 2012 and a new formula is being phased in from 2013/14 to 2017/18. The new formula incorporates a revenue adjustment factor that considers the fiscal capacity of the recipient municipality (full details of the formula are provided in part 5 of this annexure). The mechanisms for allocating funds to provinces and municipalities are continuously reviewed to improve their efficiency. A new approach to the funding of provincial infrastructure is being implemented to promote better planning and implementation, and to improve efficiency in the delivery of health and education infrastructure. To maximise the effect of allocations, many provincial and local government conditional grants use criteria that consider the efficiency with which the recipient has used previous allocations.

Developmental needs

Developmental needs are accounted for at two levels. First, in the determination of the division of revenue, which explains the continued commitment to grow the provincial and local government shares of nationally raised revenue, and second, in the determination of the division within each sphere through the formulas used to divide national transfers among municipalities and provinces. Developmental needs are encapsulated in the equitable share formulas for provincial and local government and in specific conditional grants, such as the *municipal infrastructure grant*, which allocates funds according to the number of households in a municipality without access to basic services. Various infrastructure grants and growing capital budgets aim to boost the economic and social development of provinces and municipalities.

Economic disparities

The equitable share and infrastructure grant formulas are redistributive towards poorer provinces and municipalities. Through the division of revenue, government continues to invest in economic infrastructure (such as roads) and social infrastructure (such as schools, hospitals and clinics) to stimulate economic development, create jobs, and address economic and social disparities.

Obligations in terms of national legislation

The Constitution confers autonomy on provincial governments and municipalities to determine priorities and allocate budgets. National government is responsible for policy development, national mandates, setting national norms and standards for provincial and municipal functions, and monitoring implementation for concurrent functions. The 2015 MTEF and division of revenue provide additional funding for municipalities affected by significant boundary changes due to take effect after the 2016 local government elections. National government will also ensure that baseline reductions do not affect important obligations that are already funded through existing provincial and local government allocations.

Predictability and stability

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

Flexibility in responding to emergencies

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

Part 2: The 2015 division of revenue

As announced in the 2014 *Medium Term Budget Policy Statement*, government has lowered its expenditure ceiling to reduce the budget deficit and stabilise public debt (see Chapters 1, 3 and 5 of the *Budget Review*). However, the most important public spending programmes that help poor South Africans, contribute to growth and generate employment have been protected from major reductions. The 2015 division of revenue reprioritises existing funds to ensure these objectives are met despite a lower expenditure ceiling. The lower spending ceiling has been applied proportionately across the three spheres of government. Parts 4 and 5 of this annexure set out in more detail how the baseline reductions have been effected on provincial and local government transfers.

Excluding debt-service costs and the contingency reserve, allocated expenditure shared between the three spheres amounts to R1.1 trillion, R1.2 trillion and R1.2 trillion over each of the MTEF years. These allocations take into account government's spending priorities, each sphere's revenue-raising capacity and responsibilities, and input from various intergovernmental forums and the FFC. The provincial and local equitable share formulas are designed to ensure fair, stable and predictable revenue shares, and to address economic and fiscal disparities.

Government's policy priorities for the 2015 MTEF period

Following the reductions to the baseline, existing budgets need to be reprioritised to meet government's policy priorities outlined in the Medium Term Strategic Framework. Priorities over the 2015 MTEF period that are funded through reprioritisations in the division of revenue include:

- The repair of provincial and municipal infrastructure damaged by disasters during 2013 and 2014
- The upgrade of the R573 Moloto Road by the South African National Roads Agency Limited
- The accelerated provision of bulk water and sanitation and the extension of basic infrastructure to areas without water supply
- A new grant to assist municipalities with the costs associated with major boundary changes.

Table W1.1 shows how major reprioritisations are distributed to priority areas across national, provincial and local government over the MTEF period.

Table W1.1 Top increases and major rescheduling, 2015/16 – 2017/18

R million	2015/16	2016/17	2017/18	Total
National departments				
Compensation of employees cost pressures	1 334	1 212	952	3 498
Water and Sanitation				
Water infrastructure grants: Shift from the water trading entity	700	700	1 000	2 400
Regional water programme: Housing development and social infrastructure	–	–	550	550
Rural Development and Land Reform				
Settlement of land restitution claims: Administration, research and payment of	461	489	163	1 113
Implementation of Spatial Planning Land Use Management Act, 2013	27	139	–	165
Establishment of the office of the valuer-general	33	35	76	144
National Treasury				
Military pensions and other benefits: Inclusion of non-statutory forces	266	271	273	810
South African Revenue Service: Adequacy of accumulated surplus	-464	-75	381	-158
Defence and Military Veterans				
Spares for military machinery and equipment, and acquisition of transport aircraft to transport troops and equipment to deployment area	84	262	457	803
Telecommunications and Postal Services				
Funding of pilot for SA Connect: Broadband policy	200	268	272	740
Transport				
South African National Roads Agency: Moloto Road upgrade	45	331	329	705
Repair to transport infrastructure damaged by disasters	163	215	270	648
Human Settlements				
Repair of housing infrastructure damaged by disasters	232	195	134	561
National Housing Finance Corporation: Affordable housing finance	100	100	100	300
Housing Development Agency: Project management and informal settlement upgrading support	72	57	100	229
Statistics SA				
Large sample community survey	89	381	39	509
Cooperative Governance and Traditional Affairs				
Repair to municipal infrastructure damaged by disasters	167	140	–	307
Municipal demarcation transition conditional allocation: Gauteng and KwaZulu-Natal	39	50	50	139
Justice and Constitutional Development				
Capacitation of courts in rural areas: Employment of 67 court administrators	74	79	83	236
Legal Aid South Africa: Employment of public defenders to complement the increase in magistrates' capacity to reduce case backlogs	39	42	45	127
Public Service and Administration				
Public Service Sector Education and Training Authority: Skills development project plans	68	72	75	215
Basic education				
National Education Collaboration Trust: Piloting of interventions to improve the	20	30	150	200
Trade and Industry				
Export Credit Insurance Corporation interest make-up scheme: Support to exporters to access new export markets and diversify South African exports	50	50	50	150
Small Business Development				
2014 national macro organisation of the state: Establishment of department, and interventions to assist small, medium and micro businesses and cooperatives	44	46	49	139
Home Affairs				
Implementation of new immigration regulations: Employment of 111 immigration inspectors	36	37	45	118
Mineral Resources				
Shale gas exploration: Consultations, advocacy and research	28	36	44	108
Police				
Transport equipment: Extending the replacement cycle of vehicles	–	-494	400	-94

Source: National Treasury

The fiscal framework

Table W1.2 presents the medium-term macroeconomic forecasts for the 2015 Budget. It sets out the growth assumptions and fiscal policy targets on which the fiscal framework is based.

Table W1.2 Medium-term macroeconomic assumptions, 2014/15 – 2017/18

R billion/percentage of GDP	2014/15		2015/16		2016/17		2017/18
	2014 Budget	2015 Budget	2014 Budget	2015 Budget	2014 Budget	2015 Budget	2015 Budget
Gross domestic product	3 789.6	3 879.9	4 150.5	4 191.8	4 552.9	4 538.8	4 926.1
Real GDP growth	2.9%	1.4%	3.3%	2.0%	3.5%	2.6%	3.0%
GDP inflation	6.3%	6.0%	6.0%	5.9%	5.9%	5.5%	5.4%
National budget framework							
Revenue	962.8	954.3	1 058.1	1 049.3	1 172.6	1 166.0	1 265.4
Percentage of GDP	25.4%	24.6%	25.5%	25.0%	25.8%	25.7%	25.7%
Expenditure	1 142.6	1 135.1	1 232.6	1 222.3	1 323.6	1 309.9	1 420.9
Percentage of GDP	30.1%	29.3%	29.7%	29.2%	29.1%	28.9%	28.8%
Main budget balance¹	-179.8	-180.9	-174.5	-173.1	-151.0	-144.0	-155.5
Percentage of GDP	-4.7%	-4.7%	-4.2%	-4.1%	-3.3%	-3.2%	-3.2%

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

Source: National Treasury

Table W1.3 sets out the division of revenue for the 2015 MTEF period after accounting for new policy priorities.

Table W1.3 Division of nationally raised revenue, 2011/12 – 2017/18

R million	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Outcome			Revised estimate	Medium-term estimates		
Division of available funds							
National departments	389 376	420 015	453 171	491 368	522 992	553 778	586 087
of which:							
Indirect transfers to provinces	700	2 315	2 693	4 116	3 458	3 596	3 967
Indirect transfers to local government	2 660	4 548	5 523	8 536	10 395	10 634	10 916
Provinces	355 824	380 929	410 572	439 661	468 159	496 259	526 382
Equitable share	289 628	310 741	336 495	359 922	382 673	405 265	428 893
Conditional grants	66 197	70 188	74 077	79 739	85 485	90 994	97 490
Local government	68 251	76 430	82 836	89 076	99 753	103 936	110 017
Equitable share	33 173	37 139	38 964	43 290	50 208	52 869	55 512
Conditional grants	26 505	30 251	34 258	35 595	38 887	39 844	42 720
General fuel levy sharing with metropolitan municipalities	8 573	9 040	9 613	10 190	10 659	11 224	11 785
Non-interest allocations	813 451	877 374	946 579	1 020 105	1 090 904	1 153 973	1 222 486
Percentage increase	10.0%	7.9%	7.9%	7.8%	6.9%	5.8%	5.9%
Debt-service costs	76 460	88 121	101 185	115 016	126 440	140 971	153 376
Unallocated reserves	–	–	–	–	5 000	15 000	45 000
Main budget expenditure	889 911	965 496	1 047 764	1 135 122	1 222 345	1 309 944	1 420 862
Percentage increase	10.4%	8.5%	8.5%	8.3%	7.7%	7.2%	8.5%
Percentage shares							
National departments	47.9%	47.9%	47.9%	48.2%	47.9%	48.0%	47.9%
Provinces	43.7%	43.4%	43.4%	43.1%	42.9%	43.0%	43.1%
Local government	8.4%	8.7%	8.8%	8.7%	9.1%	9.0%	9.0%

Source: National Treasury

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

Table W1.4 Changes over baseline, 2015/16 – 2016/17

R thousand	2015/16	2016/17
National departments	-4 966	-5 224
Provinces	-3 779	-5 976
Local government	-294	-1 250
Allocated expenditure	-9 039	-12 450

Source: National Treasury

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

Table W1.5 Schedule 1 of the Division of Revenue Bill, 2015/16 – 2017/18

R million	2015/16	2016/17	2017/18
	Column A Allocation	Column B Forward estimates	
National ^{1,2}	789 464	851 811	936 458
Provincial	382 673	405 265	428 893
Local	50 208	52 869	55 512
Total	1 222 345	1 309 944	1 420 862

1. National share includes conditional grants to provinces and local government, general fuel levy sharing with metropolitan municipalities, debt-service costs and the contingency reserve

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

Source: National Treasury

The 2015 *Budget Review* sets out in detail how constitutional issues and government's priorities are taken into account in the 2015 division of revenue. It describes economic and fiscal policy considerations, revenue issues, debt and financing considerations, and expenditure plans. Chapter 6 focuses on provincial and local government financing.

■ Part 3: Response to the FFC's recommendations

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

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

The act requires that the FFC table these recommendations at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2015/16* to Parliament in May 2014. These recommendations are divided into 11 chapters, which cover four main areas: macroeconomic and fiscal frameworks for inclusive growth; improving investments in education and health; investment in infrastructure; and the implications of municipal demarcations.

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

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

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

Government responses to the first and second categories are provided below. The relevant national departments are considering the recommendations that do not relate to the division of revenue, and they will respond directly to the FFC.

Recommendations that apply directly and indirectly to the division of revenue

Chapter 2: Public debt challenges and the need for fiscal reforms

Use cost-cutting as an opportunity for reform

The FFC recommends that, "Government does not resort simply to cutting costs to reduce public debt. The need to restrain spending should be an opportunity to reform programmes and service delivery. Simple cost cutting may be effective in achieving deficit reduction targets but does not encourage longer-run fiscal stability or allow for reforms that will generate more value for money spent."

Government response

Government agrees with the recommendation. The National Treasury has undertaken a careful review of current expenditure trends to identify areas where spending on non-essential items can be reduced. Government's major programmes to reduce poverty and create jobs have been protected. This includes expenditure on social grants, public employment programmes and economic incentives. Major cuts have focused on non-essential goods and services, including catering, entertainment and travel budgets.

Avoid expenditure ceilings as a means of debt control

The FFC recommends that, "Government avoids across-the-board cuts or expenditure ceilings as a means of debt control. Such blunt tools treat valuable, efficiently run programmes and outdated, poorly managed programmes in the same way. Spending should be aligned with government priorities, to ensure adequate funding of high-priority initiatives and elimination or substantial reduction of lower-priority programmes."

Government response

The expenditure ceiling announced in the 2012 Budget is an important policy tool for ensuring that government closes its structural budget deficit over the medium term. Government agrees that maintaining this ceiling should not be done using across-the-board cuts. Government has carefully analysed current expenditure trends to ensure that spending in priority areas is maintained, including the large poverty-reduction and job-creation programmes. In national departmental budgets, major cuts have been limited to non-essential goods and services, and provinces and municipalities have been encouraged to follow the same approach in their budgets. In the event of a shortfall in revenue in 2015/16, further fiscal consolidation will focus on poorly managed programmes.

Chapter 4: Equitable resourcing of schools for better outcomes

Education infrastructure grants

The FFC recommends that, "The allocation framework for education infrastructure conditional grants sets out clear expenditure targets for quintile 1 to 3 schools and timelines for addressing priority infrastructure backlogs in each quintile. The *school infrastructure backlogs grant* must also make provision for the transitional asset handover process to school governing boards and provincial education departments on newly built schools. This would address alignment between funding for non-physical inputs and physical inputs, as well as curb the decay of newly constructed infrastructure."

Government response

The aim of the *school infrastructure backlogs grant* is to replace unsafe school structures with appropriately built ones. While government appreciates the FFC's research into the appropriate frameworks for such grants, a project list has already been established and projects are at various stages of implementation. As a result, it is not feasible to shift schools on this project list on the basis of the quintiles in which they fall without delaying the overall backlog reduction.

Government agrees on the importance of timelines for addressing infrastructure backlogs and ensuring that schools have access to water, sanitation and electricity, and are built with appropriate and safe materials. In 2013, government published minimum norms and standards for school infrastructure, and provinces have been given until 2016 for all schools to meet these standards.

Government's focus on replacing, upgrading or rehabilitating existing schools to meet safety or basic service standards, rather than building new schools, means the problem of poorly planned handovers is largely avoided. However, government does acknowledge the risk, which is why the provincial education department must be notified before a school is transferred onto its asset register. This ensures that there is a current budget (for employees, learner materials and maintenance) so that the school is functional before the start of the school year.

Chapter 5: Adequacy and efficiency in primary healthcare financing

Increase primary healthcare allocation levels in line with norms and standards

The FFC recommends that, "Provincial governments increase their allocation levels to primary healthcare funding, to be in line with the minimum norms and standards for the primary healthcare package set by the national Department of Health, in particular on clinic services such as integrated management of childhood illnesses, reproductive health and HIV/AIDS."

Further engagements with the FFC led to the clarification that this recommendation should be read as: "The provincial equitable share or health conditional grants may need to increase or be re-allocated to take account of provincial primary healthcare requirements set out by the national Department of Health. An absence of such increased funding or revising the allocation method of current funding may result in norms and standards, set by the national department, not being met adequately by the provincial departments with service delivery suffering as a result."

Government response

Government welcomes the suggestion that further work is needed to ensure primary healthcare funding is sufficient and equitably allocated. However, the norms and standards referenced in the study were published in 2000, so updated norms and standards are needed before increased funding or reallocation can be considered. Government has recently taken steps to improve the functioning of primary healthcare clinics through the ideal clinic initiative. The conditional health grants – together with departmental budgets – are being aligned with this initiative. A reengineering of primary healthcare is also envisaged as part of the national health insurance reforms, with emphasis shifting from a curative to a preventative approach. Government continues to commit funds in this regard. For example, indirect *national health grant* (national health insurance component) funds will be used to test contracting with health professionals in the 10 national health insurance pilot districts.

Chapter 6: Impact of fiscal expenditure on food security

Better enforcement of agricultural grant conditions

The FFC recommends that, "The Department of Agriculture, Forestry and Fisheries strengthens its ability to enforce the conditions in the grant framework to ensure better oversight of provinces, so that spending and performance of the agricultural conditional grants can be improved. The Commission suggests that norms and standards be developed to assess the performance of provinces and five-year evaluations of conditional grants be institutionalised."

Government response

Government agrees that norms and standards should be developed to assess provincial performance. Regarding the institutionalisation of the evaluation of agricultural conditional grants, government (via the Department of Planning, Monitoring and Evaluation) is reviewing the *comprehensive agricultural support programme grant*'s performance. The review report will be used as a basis to institutionalise evaluation processes.

Review agricultural grants

The FFC recommends that, "The terms of reference for the committee to review the agricultural conditional grants are finalised without unnecessary delays. The review should be comprehensive in scope and should include assessing the value chain of conditional grants and unlocking operational constraints, especially in relation to planning, procurement, comprehensive smallholder support, cash-flow and monitoring and evaluation. Stakeholders such as the Department of Rural Development and Land Reform should be invited to be part of the committee, and ways to streamline the funding overlap between the *Ilima/Letsema projects grant* and the recapitalisation and development programme should be examined."

Government response

Government agrees with the recommendation that this work is a priority and that overlaps between grants are to be avoided. The Department of Agriculture, Forestry and Fisheries, the National Treasury and the Department of Rural Development and Land Reform are discussing ways to streamline existing overlaps in provincial grants.

Chapter 8: Improving public transport for better mobility

Develop a transport subsidy framework

The FFC recommends that, "The Department of Transport (the custodian of national transport policy) formulates and implements a transport subsidy framework, which explicitly incorporates social welfare, service productivity and environmental management, which are the three aspects endorsed by national transport policy."

Further discussions with the FFC led to the clarification that this recommendation should be read as: "The development of a transport subsidy framework is crucial to effectively guiding the allocation of transport conditional grants. The FFC study found that the existing public transport grants perpetuate the fragmented transport planning processes and are not effective in achieving the goal of integrated public transport. Therefore the consolidation of transport funding, allocated via the Division of Revenue Act, is required and should be driven by a new transport subsidy framework."

Government response

Government agrees that a more integrated approach to funding public transport and a transport subsidy framework is required. It has begun taking steps in this regard – in the 2015 division of revenue, two of the municipal public transport grants have been consolidated into a single grant and the framework for this new *public transport network grant* includes a commitment for the national Department of Transport to develop a draft public transport subsidy framework. The City Support Programme in the National Treasury has undertaken to assist the Department of Transport in this regard.

Chapter 11: The impact of demarcations on municipal finances

Demarcation grant to affected municipalities

The FFC recommends that, "For every vertically decided demarcation process, government bears the transitional costs of the restructuring. A transitional demarcation grant should be awarded to the amalgamated municipality. This grant should be temporary and be awarded over at least three years (at least a year before, the year of and the year after demarcation takes place). The purpose of the grant will be to facilitate the restructuring process. This includes the following:

- a. Planning and preparing an amalgamated municipality's delivery model, e.g. combining the delivery models of individual municipalities.
- b. Rationalising and harmonising policy regimes, integrated development plans and bylaws of different municipalities.
- c. Rationalising tariffs.
- d. Rationalising employment policies and other human resources systems (grading of workers and job evaluation processes).
- e. Rationalising and harmonising evaluation rolls and asset registers.
- f. Building capacity to deal with change management.
- g. Facilitating communication about the demarcation.”

Government response

Government agrees that major boundary changes can be costly for affected municipalities. The Select Committee on Appropriations has also recommended in its report on the 2014 Division of Revenue Bill that funding be allocated to provide for these costs. As such, government is proposing a *municipal demarcation transition grant* for the demarcation changes that will come into effect after the 2016 local government elections. Rather than unconditionally funding every cost associated with changed demarcations, government proposes that the following principles should be applied:

- a. Only major re-demarcations should be eligible for funding (for example, amalgamations).
- b. Only administrative costs directly related to the change in demarcations can be funded (for example, upgrading service levels should not qualify).
- c. A differentiated approach should be applied, so that municipalities with larger own-revenue capacity are expected to fund more of the re-demarcation costs themselves.
- d. Benefits and efficiencies that can be gained as a result of the new demarcations should also be taken into account in determining allocations for support.
- e. Funds should be allocated for a maximum of one year before the boundary change (for planning and preparation costs only) and for two years following the change.

Government has consulted relevant stakeholders and used research by the FFC and SALGA to assist in the costing of such a grant. Based on this research and the above principles, government has introduced a grant worth R139 million over the MTEF period, with R39 million transferred in 2015/16 to 21 municipalities for preparatory costs. In 2016/17 and 2017/18, R50 million per year will be transferred to the 10 new municipalities.

■ Part 4: Provincial allocations

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

National transfers to provinces increase from R439.7 billion in 2014/15 to R468.2 billion in 2015/16. Over the MTEF period, provincial transfers will grow at an average annual rate of 6.2 per cent to R526.4 billion in 2017/18. Table W1.6 sets out the total transfers to provinces for 2015/16. A total of R382.7 billion is allocated to the provincial equitable share and R85.5 billion to conditional grants, which includes an unallocated R100 million for the *provincial disaster grant*, but excludes indirect transfers of R3.5 billion.

Table W1.6 Total transfers to provinces, 2015/16

R million	Equitable share	Conditional grants	Total transfers
Eastern Cape	54 312	10 060	64 372
Free State	21 757	6 609	28 367
Gauteng	73 413	17 123	90 537
KwaZulu-Natal	82 254	16 881	99 135
Limpopo	45 377	6 742	52 120
Mpumalanga	31 030	6 851	37 881
Northern Cape	10 138	3 665	13 803
North West	26 151	6 942	33 093
Western Cape	38 242	10 507	48 749
Unallocated	–	103	103
Total	382 673	85 485	468 159

Source: National Treasury

Changes to provincial allocations

The baseline reductions discussed in Chapter 5 of the *Budget Review* were shared across the three spheres of government in proportion to the division of revenue. In 2015/16, provincial baselines are reduced by R4.4 billion compared to indicative figures published in the 2014 Budget. To protect basic services funded by the provincial equitable share, such as health and education, only 60 per cent (R2.6 billion) of this reduction was taken from the equitable share, despite its accounting for over 80 per cent of transfers to provinces. The remaining 40 per cent (R1.8 billion) of this reduction came from provincial conditional grants, although two grants that fund essential services (the *national school nutrition programme grant* and the *comprehensive HIV and Aids grant*) and two small grants (the *occupational-specific dispensation for education sector therapists* and the *substance abuse treatment grant*) were not reduced. The reduction that would have been made on these grants was offset by reprioritising funds from the indirect *school infrastructure backlogs grant* and the *national health grant*. As a result of these baseline reductions, the provincial equitable share baseline was reduced by 0.7 per cent and most conditional grants were reduced by 2.1 per cent in 2015/16. Many of the grants with reduced baselines have a history of underspending, so the impact on service delivery should be minimised if spending patterns improve. The amount reduced on each grant is detailed in Table W1.7.

**Table W1.7 Baseline reductions to provincial allocations,
as announced in the 2014 MTBPS**

R million	2015/16	2016/17
Provincial equitable share	-2 631	-3 960
Direct conditional grants	-1 496	-2 248
Agriculture, Forestry and Fisheries	-50	-74
Comprehensive agricultural support programme	-37	-55
Ilima/Letsema projects	-11	-16
Land care programme: poverty relief and infrastructure development	-2	-2
Arts and Culture	-30	-44
Community library services	-30	-44
Basic Education	-228	-339
Education infrastructure	-214	-319
HIV and AIDS (life skills education)	-5	-8
Maths, science and technology	-8	-12
National school nutrition programme	–	–
Occupational-specific dispensation for education sector therapists	–	–
Cooperative Governance and Traditional Affairs	-3	-4
Provincial disaster	-3	-4
Health	-417	-616
Comprehensive HIV and AIDS	–	–
Health facility revitalisation	-123	-180
Health professions training and development	-54	-81
National tertiary services	-238	-353
National health insurance	-2	-2
Higher Education and Training	–	–
Further education and training colleges	–	–
Human Settlements	-411	-641
Human settlements development	-411	-641
Public Works	-14	-25
Expanded public works programme integrated grant for provinces	-6	-10
Social sector expanded public works programme incentive for provinces	-8	-15
Social Development	–	–
Substance abuse treatment	–	–
Sport and Recreation South Africa	-13	-18
Mass participation and sport development	-13	-18
Transport	-332	-488
Provincial roads maintenance	-219	-320
Public transport operations	-113	-168
Indirect transfers	-257	-392
Basic Education	-121	-176
School infrastructure backlogs	-121	-176
Health	-137	-216
National health	-137	-216
Total	-4 385	-6 600

Source: National Treasury

In addition to these baseline reductions, there were also several other reprioritisations and technical changes to conditional grants during the budget process that will be implemented over the 2015 MTEF period. These are shown in Table W1.8.

Table W1.8 Revisions to baseline provincial allocations, 2015/16 – 2017/18

R million	2015/16	2016/17	2017/18	2015 MTEF
Technical revisions	-5 723	-6 044	-6 356	-18 123
Provincial equitable share	-2 663	-2 814	-2 957	-8 435
Function shifts to the national Department of Higher Education	-2 215	-2 343	-2 460	-7 018
Function shift to the national Department of Health (Port Health Services)	-118	-127	-136	-380
Funding shift to the national Department of Health (National Health Laboratory Services)	-330	-345	-362	-1 037
Direct conditional grants	-2 776	-3 149	-3 364	-9 289
Education Infrastructure	262	55	–	317
Comprehensive HIV and AIDS (NHLS funding shift)	-220	-230	-241	-691
Further education and training colleges (function shift)	-2 819	-2 974	-3 123	-8 915
Indirect transfers	-284	-80	-35	-399
National health	-22	-25	-35	-82
Schools infrastructure backlog	-262	-55	–	-317
Additions to baseline	334	410	404	1 148
Direct transfers	334	410	404	1 148
Health facility revitalisation	10	–	–	10
Human settlements development	161	195	134	491
Provincial roads maintenance	163	215	270	648
Reductions to baseline	-4 444	-6 500	-316	-11 259
Provincial equitable share	-2 631	-3 960	–	-6 591
Impact of reductions to provincial equitable share baseline announced in 2014 MTBPS	-2 631	-3 960	–	-6 591
Direct transfers	-1 744	-2 481	-241	-573
Impact of reductions to conditional grant baseline announced in 2014 MTBPS (see detail in Table W1.7)	-1 496	-2 248	–	-3 744
Maths, science and technology	-5	-5	-6	-16
Provincial disaster grant	-99	-100	-100	-299
Human settlements development	-80	-80	-80	-240
Social sector expanded public works programme incentive grant for provinces	-19	–	–	-19
Provincial roads maintenance	-46	-49	-55	-149
Indirect transfers	-69	-59	-75	-203
Impact of reductions to conditional grant baseline announced in 2014 MTBPS (see detail in Table W1.7)	-257	-392	–	-650
National health	-65	-54	-71	-190
School infrastructure backlogs	-4	-4	-5	-13
Total changes to provincial allocations				
Changes to provincial equitable share	-5 294	-6 774	-2 957	-15 026
Changes to direct conditional grants	-4 186	-5 221	-3 200	-12 607
Changes to indirect conditional grants	-353	-139	-110	-602
Net change to provincial allocations	-9 833	-12 133	-6 268	-28 234

Source: National Treasury

Two function shifts and a change to the National Health Laboratory Service (NHLS) funding arrangements will also be effected over the 2015 MTEF period. The further education and training colleges and adult basic education function is shifted from provinces to the national Department of Higher Education and Training. As a result, the full value of the *further education and training colleges grant* (R8.9 billion over the MTEF period) and R7 billion from the provincial equitable share are shifted to the national department's budget. The port health function is transferred from provinces to the national Department of Health, resulting in a total of R380.4 million shifting from the provincial equitable share to the national department's budget over the MTEF period. The FFC has assessed these function shifts and the accompanying changes to provincial transfers, and the Budget Council and sector MinMECs have given their approval.

The NHLS funding arrangements are being amended so that national functions for training and research are funded directly by the national Department of Health from 2015/16, and no longer paid for through fees charged to provinces for NHLS services. To ensure this change does not affect provincial budgets, the fees charged for NHLS services will be reduced to offset the funds taken out of the provincial equitable share and the *comprehensive HIV and Aids grant*. Over the 2015 MTEF period, the provincial equitable share will be reduced by R1 billion. The *comprehensive HIV and AIDS grant* will be reduced by R691.2 million. These funds will be allocated to the national department for the NHLS's national functions. The Budget Council has agreed to this arrangement and an audit will be conducted after the first year to ensure that the change is revenue-neutral for provinces.

After accounting for the reductions and function shifts, net revisions to the provincial direct and indirect allocations amount to a reduction of R10.1 billion in 2015/16 and R12.5 billion in 2016/17.

The provincial equitable share

The equitable share is the main source of revenue for meeting provincial expenditure responsibilities. To ensure that allocations are fair, the equitable share is allocated through a formula using objective data on the context and demand for services in each of the nine provinces. The revisions due to function shifts in health and higher education and the change in NHLS funding arrangements reduce the provincial equitable share by R5.3 billion in 2015/16, R6.8 billion in 2016/17 and R3 billion in 2017/18. This brings the equitable share allocations to R382.7 billion, R405.3 billion and R428.9 billion respectively for each year of the 2015 MTEF period. These revisions result in the provincial equitable share increasing by 6.3 per cent between 2014/15 and 2015/16, and growing at an average annual rate of 6 per cent over the MTEF period.

Allocations calculated outside the equitable share formula

The equitable share includes an amount of R2.3 billion in 2015/16 that was previously part of the *devolution of property rate funds grant*. This grant, which funded provinces to pay municipal charges on provincial properties that were previously administered by national government, has been transferred as part of the provincial equitable share since 2013/14. These funds are still allocated to provinces in the same proportions as the former grant, but from 2016/17 they will be allocated using the provincial equitable share formula.

Over the 2015 MTEF period, the amounts taken out of the provincial equitable share to implement the change in the NHLS's funding arrangements will be subtracted from each province's allocation in proportion to their share of the formula's health component.

The equitable share formula

The provincial equitable share formula is reviewed and updated with new data annually. For the 2015 MTEF, the formula has been updated with data from the 2014 mid-year population estimates published by Statistics South Africa; the 2014 preliminary data published by the Department of Basic Education on school enrolment; data from the 2013 General Household Survey for medical aid coverage; and data from the health sector and the Risk Equalisation Fund for the risk-adjusted capitation index. Because the formula is largely population-driven, the allocations capture shifts in population across provinces, which results in changes in the relative demand for public services across these areas. The effect of these updates on the provincial equitable share is phased in over three years (2015/16 to 2017/18).

Full impact of data updates on the provincial equitable share

Table W1.9 shows the full impact of the data updates on the provincial equitable share per province. It compares the target shares for the 2014 and 2015 MTEF periods. The details of how the data updates affect each component of the formula are described in detail in the subsections below.

Table W1.9 Full impact of data updates on the equitable share

	2014 MTEF weighted average	2015 MTEF weighted average	Difference
Eastern Cape	14.0%	14.0%	-0.01%
Free State	5.6%	5.6%	-0.00%
Gauteng	19.5%	19.5%	0.04%
KwaZulu-Natal	21.3%	21.3%	-0.06%
Limpopo	11.8%	11.8%	-0.04%
Mpumalanga	8.2%	8.2%	0.01%
Northern Cape	2.7%	2.7%	-0.00%
North West	6.9%	6.9%	0.00%
Western Cape	10.0%	10.1%	0.06%
Total	100.0%	100.0%	-

Source: National Treasury

Phasing in the formula

To mitigate the effect of annual data updates on provincial equitable shares, the new shares are phased in over the three-year MTEF period. An amended phase-in mechanism was introduced for the 2014 MTEF to ensure that the weighted share of the provincial equitable share allocated to each province over the medium term closely follows the indicative shares for each year published in the previous MTEF.

The equitable share formula data is updated every year and a new target share for each province is calculated, which is shown in Table W1.10. The phase-in mechanism provides a smooth path to achieving these weighted shares by the third year of the MTEF period. It takes the difference between the target weighted share for each province at the end of the MTEF period and the indicative allocation for 2015/16 that was published in the 2014 MTEF, and closes the gap between these shares by a third in each year of the 2015 MTEF period. As a result, one-third of the impact of the data updates is implemented in 2015/16, two-thirds in the indicative allocations for 2016/17, and the updates are fully implemented in the indicative allocations for 2017/18.

Table W1.10 Implementation of the equitable share weights,

2015/16 – 2017/18				
	2015/16 Indicative weighted shares from 2014 MTEF	2015/16	2016/17	2017/18
Percentage		2015 MTEF weighted shares 3-year phasing		
Eastern Cape	14.2%	14.1%	14.1%	14.0%
Free State	5.7%	5.7%	5.6%	5.6%
Gauteng	19.3%	19.3%	19.4%	19.5%
KwaZulu-Natal	21.4%	21.4%	21.3%	21.3%
Limpopo	11.9%	11.8%	11.8%	11.8%
Mpumalanga	8.2%	8.2%	8.2%	8.2%
Northern Cape	2.7%	2.7%	2.7%	2.7%
North West	6.9%	6.9%	6.9%	6.9%
Western Cape	9.9%	10.0%	10.0%	10.1%
Total	100.0%	100.0%	100.0%	100.0%

Source: National Treasury

Provision for cushioning the impact of 2011 Census data updates and baseline reductions

The provincial equitable share formula was updated with 2011 Census data in 2013/14. The incorporation of new Census data for the first time in a decade resulted in significant changes to certain components of

the formula. To give provinces time to adjust to their new allocations, the Census updates were phased in over three years and R4.2 billion was added as a “top-up” for provinces with declining shares over the 2013 MTEF period. This cushioning was due to come to an end in 2015/16, but it has been extended for another year to reduce the impact of the baseline reductions discussed above. The same provinces that required support for the Census reductions will experience the slowest growth in their allocations due to the baseline reductions. To prevent this, provinces agreed that R2.1 billion should be taken out of the equitable share as a whole (from all nine provinces) and allocated as cushioning to the four affected provinces for another year (2016/17). Table W1.11 shows how these funds are allocated to the Eastern Cape, the Free State, KwaZulu-Natal and Limpopo in 2015/16 and 2016/17.

Further work will be undertaken during 2015 to examine the long-term implications of the current approach to updating and phasing in the data used in the equitable share formula for the financial sustainability of provinces. The Technical Committee on Finance and the Budget Council will be consulted as part of this work.

Table W1.11 Cushioning for 2011 Census impact on provinces with declining shares in the 2015 MTEF

	2015/16	2016/17	2017/18
R thousand	Medium-term estimates		
Eastern Cape	685 628	685 628	–
Free State	171 261	171 261	–
Gauteng	–	–	–
KwaZulu-Natal	773 075	773 075	–
Limpopo	487 036	487 036	–
Mpumalanga	–	–	–
Northern Cape	–	–	–
North West	–	–	–
Western Cape	–	–	–
Total	2 117 000	2 117 000	–

Source: National Treasury

Provincial equitable share allocations

The final equitable share allocations per province for the 2015 MTEF are detailed in Table W1.12. These allocations include the full impact of the data updates, phased in over three years, as well as the cushioning and amounts determined outside of the formula, as described above.

Table W1.12 Provincial equitable share, 2015/16 – 2017/18

	2015/16	2016/17	2017/18
R million			
Eastern Cape	54 312	57 368	60 069
Free State	21 757	22 775	23 979
Gauteng	73 413	78 237	83 602
KwaZulu-Natal	82 254	86 885	91 430
Limpopo	45 377	48 121	50 502
Mpumalanga	31 030	32 971	35 113
Northern Cape	10 138	10 730	11 397
North West	26 151	27 676	29 493
Western Cape	38 242	40 501	43 308
Total	382 673	405 265	428 893

Source: National Treasury

Summary of the formula's structure

The formula, shown in Table W1.13 below, consists of six components that capture the relative demand for services between provinces and take into account specific provincial circumstances. The formula's components are neither indicative budgets nor guidelines as to how much should be spent on functions in each province or by provinces collectively. Rather, the education and health components are weighted broadly in line with historical expenditure patterns to indicate relative need. Provincial executive councils have discretion regarding the determination of departmental allocations for each function, taking into account the priorities that underpin the division of revenue.

For the 2015 Budget, the formula components are set out as follows:

- An *education component* (48 per cent), based on the size of the school-age population (ages 5 to 17) and the number of learners (Grades R to 12) enrolled in public ordinary schools.
- A *health component* (27 per cent), based on each province's risk profile and health system case load.
- A *basic component* (16 per cent), derived from each province's share of the national population.
- An *institutional component* (5 per cent), divided equally between the provinces.
- A *poverty component* (3 per cent), based on income data. This component reinforces the redistributive bias of the formula.
- An *economic output component* (1 per cent), based on regional gross domestic product (GDP-R, measured by Statistics South Africa).

Table W1.13 Distributing the equitable shares by province, 2015 MTEF

	Education	Health	Basic share	Poverty	Economic activity	Institutional	Weighted average
	48%	27%	16%	3%	1%	5%	100%
Eastern Cape	15.1%	13.5%	12.6%	16.2%	7.5%	11.1%	14.0%
Free State	5.3%	5.4%	5.2%	5.3%	5.2%	11.1%	5.6%
Gauteng	17.7%	21.4%	23.9%	17.1%	34.7%	11.1%	19.5%
KwaZulu-Natal	22.5%	21.8%	19.8%	22.2%	15.8%	11.1%	21.3%
Limpopo	13.0%	10.4%	10.4%	13.6%	7.1%	11.1%	11.8%
Mpumalanga	8.5%	7.3%	7.8%	9.2%	7.1%	11.1%	8.2%
Northern Cape	2.3%	2.1%	2.2%	2.2%	2.2%	11.1%	2.7%
North West	6.5%	6.7%	6.8%	8.1%	6.4%	11.1%	6.9%
Western Cape	9.0%	11.3%	11.3%	6.1%	14.0%	11.1%	10.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: National Treasury

Education component (48 per cent)

The education component uses the school-age population (5 to 17 years), based on the 2011 Census, and enrolment data drawn from the Department of Basic Education's 2014 School Realities Survey. Each of these elements is assigned a weight of 50 per cent.

Table W1.14 shows the effect of updating the education component with new enrolment data on the education component shares.

Table W1.14 Impact of changes in school enrolment on the education component share

	Age cohort 5 – 17	School enrolment		Changes in enrolment	Weighted average		Difference in weighted average
		2013	2014		2014 MTEF	2015 MTEF	
Eastern Cape	1 856 317	1 927 081	1 916 285	-10 796	15.2%	15.1%	-0.12%
Free State	657 489	663 312	671 139	7 827	5.3%	5.3%	0.01%
Gauteng	2 231 793	2 116 391	2 178 282	61 891	17.5%	17.7%	0.16%
KwaZulu-Natal	2 758 594	2 857 959	2 865 984	8 025	22.6%	22.5%	-0.08%
Limpopo	1 536 294	1 713 696	1 719 134	5 438	13.1%	13.0%	-0.04%
Mpumalanga	1 053 846	1 049 995	1 055 243	5 248	8.5%	8.5%	-0.02%
Northern Cape	288 839	281 500	287 904	6 404	2.3%	2.3%	0.01%
North West	824 724	787 470	798 894	11 424	6.5%	6.5%	0.02%
Western Cape	1 174 625	1 048 883	1 074 161	25 278	9.0%	9.0%	0.06%
Total	12 382 521	12 446 287	12 567 026	120 739	100.0%	100.0%	–

Source: National Treasury

Health component (27 per cent)

The health component uses a risk-adjusted capitation index and output data from public hospitals to estimate each province's share of the health component. These methods work together to balance needs (risk-adjusted capitation) and demands (output component).

The health component is presented in three parts below. Table W1.15 shows the shares of the risk-adjusted component, which accounts for 75 per cent of the health component.

Table W1.15 Risk-adjusted sub-component shares

	Mid-year population estimates	Insured population	Risk- adjusted index	Weighted population	Risk-adjusted shares		Change
	2014	2013			2014	2015	
Thousand							
Eastern Cape	6 787	10.5%	96.9%	5 883	13.1%	13.4%	0.22%
Free State	2 787	17.1%	103.3%	2 385	5.4%	5.4%	0.06%
Gauteng	12 915	29.3%	105.4%	9 626	21.9%	21.9%	-0.05%
KwaZulu-Natal	10 694	13.3%	98.9%	9 170	20.9%	20.8%	-0.03%
Limpopo	5 631	9.0%	91.6%	4 695	10.7%	10.7%	-0.04%
Mpumalanga	4 229	15.6%	95.7%	3 416	7.8%	7.8%	-0.01%
Northern Cape	1 167	20.2%	100.7%	937	2.2%	2.1%	-0.06%
North West	3 676	15.6%	102.2%	3 172	7.3%	7.2%	-0.06%
Western Cape	6 116	25.7%	104.0%	4 728	10.8%	10.7%	-0.03%
Total	54 002			44 013	100.0%	100.0%	–

Source: National Treasury

The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted capitation index, which is calculated using data from the Council for Medical Schemes' Risk Equalisation Fund. The percentage of the population with medical aid insurance, based on the 2013 General Household Survey, is deducted from the 2014 mid-year population estimates to estimate the uninsured population per province. The risk-adjusted index, which is an index of each province's health risk profile, is applied to the uninsured population to estimate the weighted population. Each province's share of this weighted population is used to estimate their share of the risk-adjusted sub-component. Table W1.15 shows the change in this sub-component between 2014 and 2015.

The output sub-component is shown in Table W1.16 below.

Table W1.16 Output sub-component shares

	Primary healthcare visits				Hospital workload patient-day equivalents			
	2012/13	2013/14	Average	Share	2012/13	2013/14	Average	Share
Eastern Cape	17 725	17 379	17 552	13.6%	4 523	4 572	4 548	14.1%
Free State	7 488	6 894	7 191	5.6%	1 824	1 736	1 780	5.5%
Gauteng	23 084	23 647	23 366	18.1%	6 611	6 722	6 667	20.7%
KwaZulu-Natal	31 112	31 885	31 498	24.4%	8 112	7 995	8 054	25.0%
Limpopo	14 330	14 256	14 293	11.1%	2 898	2 922	2 910	9.0%
Mpumalanga	9 056	9 143	9 100	7.1%	1 819	1 931	1 875	5.8%
Northern Cape	3 413	3 398	3 406	2.6%	514	526	520	1.6%
North West	7 890	8 047	7 969	6.2%	1 578	1 674	1 626	5.0%
Western Cape	14 859	14 308	14 584	11.3%	4 196	4 283	4 240	13.2%
Total	128 957	128 957	128 957	100.0%	32 075	32 363	32 219	100.0%

Source: National Treasury

The output sub-component uses patient load data from the District Health Information Services. The average number of visits at primary healthcare clinics in 2012/13 and 2013/14 is calculated to estimate each province's share of this part of the output component, which makes up 5 per cent of the health component. For hospitals, each province's share of the total patient-day equivalents from public hospitals in 2012/13 and 2013/14 is used to estimate their share of this part of the output sub-component, making up 20 per cent of the health component. In total, the output component is 25 per cent of the health component.

Table W1.17 shows the updated health component shares for the 2015 MTEF period.

Table W1.17 Health component weighted shares

	Risk-adjusted	Primary healthcare	Hospital component	Weighted shares		Change
	Weight	5.0%	20.0%	2014	2015	
Eastern Cape	13.4%	13.6%	14.1%	13.4%	13.5%	0.12%
Free State	5.4%	5.6%	5.5%	5.4%	5.4%	0.01%
Gauteng	21.9%	18.1%	20.7%	21.5%	21.4%	-0.07%
KwaZulu-Natal	20.8%	24.4%	25.0%	22.0%	21.8%	-0.14%
Limpopo	10.7%	11.1%	9.0%	10.4%	10.4%	-0.07%
Mpumalanga	7.8%	7.1%	5.8%	7.3%	7.3%	0.03%
Northern Cape	2.1%	2.6%	1.6%	2.1%	2.1%	-0.01%
North West	7.2%	6.2%	5.0%	6.8%	6.7%	-0.03%
Western Cape	10.7%	11.3%	13.2%	11.1%	11.3%	0.15%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	-

Source: National Treasury

Basic component (16 per cent)

The basic component is derived from the proportion of each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2015 MTEF, population data is drawn from the 2014 Mid-Year Population Estimates produced by Statistics South Africa. Table W1.18 shows the impact on the basic component's revised weighted shares.

Table W1.18 Impact of the changes in population on the basic component shares

	Mid-year population estimates	Mid-year population estimates	Population change	% population change	Basic component shares		Change
	2013	2014			2014 MTEF	2015 MTEF	
Eastern Cape	6 620 100	6 786 900	166 800	2.5%	12.5%	12.6%	0.07%
Free State	2 753 200	2 786 800	33 600	1.2%	5.2%	5.2%	-0.04%
Gauteng	12 728 400	12 914 800	186 400	1.5%	24.0%	23.9%	-0.11%
KwaZulu-Natal	10 456 900	10 694 400	237 500	2.3%	19.7%	19.8%	0.07%
Limpopo	5 518 000	5 630 500	112 500	2.0%	10.4%	10.4%	0.01%
Mpumalanga	4 128 000	4 229 300	101 300	2.5%	7.8%	7.8%	0.04%
Northern Cape	1 162 900	1 166 700	3 800	0.3%	2.2%	2.2%	-0.03%
North West	3 597 600	3 676 300	78 700	2.2%	6.8%	6.8%	0.02%
Western Cape	6 016 900	6 116 300	99 400	1.7%	11.4%	11.3%	-0.03%
Total	52 982 000	54 002 000	1 020 000	1.9%	100.0%	100.0%	-

Source: National Treasury

Institutional component (5 per cent)

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

Poverty component (3 per cent)

The poverty component introduces a redistributive element to the formula and is assigned a weight of 3 per cent. The poor population includes people who fall in the lowest 40 per cent of household incomes in the 2010/11 Income and Expenditure Survey. The estimated size of the poor population in each province is calculated by multiplying the proportion in that province that fall into the poorest 40 per cent of South African households by the province's population figure from the 2014 Mid-Year Population Estimates. Table W1.19 shows the proportion of the poor in each province from the Income and Expenditure Survey, the 2014 Mid-Year Population Estimates and the weighted share of the poverty component per province.

Table W1.19 Comparison of current and new poverty component weighted shares

	Income and Expendi- ture Survey 2010/11	Current (2014 MTEF)			New (2015 MTEF)			Difference in weighted shares
		Mid-year population estimates 2013	Poor popula- tion	Weighted shares	Mid-year population estimates 2014	Poor popula- tion	Weighted shares	
Thousand								
Eastern Cape	52.0%	6 620	3 445	16.1%	6 787	3 531	16.2%	0.08%
Free State	41.4%	2 753	1 140	5.3%	2 787	1 154	5.3%	-0.04%
Gauteng	28.9%	12 728	3 675	17.2%	12 915	3 728	17.1%	-0.09%
KwaZulu-Natal	45.3%	10 457	4 738	22.2%	10 694	4 845	22.2%	0.06%
Limpopo	52.9%	5 518	2 917	13.6%	5 631	2 976	13.6%	0.00%
Mpumalanga	47.3%	4 128	1 951	9.1%	4 229	1 998	9.2%	0.04%
Northern Cape	40.8%	1 163	474	2.2%	1 167	476	2.2%	-0.04%
North West	47.9%	3 598	1 723	8.1%	3 676	1 761	8.1%	0.01%
Western Cape	21.9%	6 017	1 316	6.2%	6 116	1 337	6.1%	-0.02%
Total		52 982	21 377	100.0%	54 002	21 807	100.0%	-

Source: National Treasury

Economic activity component (1 per cent)

The economic activity component is a proxy for provincial tax capacity and expenditure assignments. Given that these assignments are a relatively small proportion of provincial budgets, the component is assigned a weight of 1 per cent. For the 2015 MTEF, 2013 GDP-R data is used. Table W1.20 shows the weighted shares of the economic activity component.

Table W1.20 Current and new economic activity component weighted shares

	Current (2014 MTEF)		New (2015 MTEF)		Difference in weighted shares
	GDP-R, 2011 (R million)	Weighted shares	GDP-R, 2012 (R million)	Weighted shares	
Eastern Cape	219 170	7.5%	234 536	7.5%	-0.04%
Free State	153 284	5.3%	162 601	5.2%	-0.07%
Gauteng	1 005 795	34.5%	1 089 535	34.7%	0.24%
KwaZulu-Natal	458 841	15.7%	496 431	15.8%	0.09%
Limpopo	207 308	7.1%	223 090	7.1%	0.00%
Mpumalanga	205 600	7.0%	222 149	7.1%	0.03%
Northern Cape	65 259	2.2%	70 203	2.2%	-0.00%
North West	189 047	6.5%	201 736	6.4%	-0.05%
Western Cape	413 235	14.2%	438 700	14.0%	-0.19%
Total	2 917 539	100.0%	3 138 981	100.0%	-

Source: National Treasury

Conditional grants to provinces

There are four types of provincial conditional grants:

- Schedule 4A sets out general grants that supplement various programmes partly funded by provinces
- Schedule 5A grants fund specific responsibilities and programmes implemented by provinces
- Schedule 6A grants provide in-kind allocations through which a national department implements projects in provinces
- Schedule 7A grants provide for the swift allocation and transfer of funds to a province to help it deal with a disaster.

Changes to conditional grants

Despite the baseline reductions described in Table W1.7, overall growth in direct conditional transfers to provinces is buoyant, averaging 6.9 per cent over the MTEF period. Direct conditional grant baselines total R85.5 billion in 2015/16, R91 billion in 2016/17 and R97.5 billion in 2017/18. Indirect conditional grants amount to R3.5 billion, R3.6 billion and R4 billion respectively for each year of the same period.

Table W1.21 provides a summary of conditional grants by sector for the 2015 MTEF period. More detailed information, including the framework and allocation criteria for each grant, is provided in Annexure W2 of the 2015 Division of Revenue Bill. The frameworks provide the conditions for each grant, the outputs expected, the allocation criteria used for dividing each grant between provinces, and a summary of the grant's audited outcomes for 2013/14.

Table W1.21 Conditional grants to provinces, 2014/15 – 2017/18

R million	2014/15	2015/16	2016/17	2017/18	MTEF total
Agriculture, Forestry and Fisheries	2 389	2 188	2 262	2 404	6 855
Comprehensive agricultural support programme	1 861	1 651	1 702	1 809	5 162
Ilima/Letsema projects	461	471	491	522	1 484
Land care programme: poverty relief and infrastructure development	68	66	69	74	209
Arts and Culture	1 016	1 311	1 367	1 453	4 131
Community library services	1 016	1 311	1 367	1 453	4 131
Basic Education	13 532	15 856	16 373	17 267	49 497
Education infrastructure	7 327	9 518	9 774	10 331	29 622
HIV and AIDS (life skills education)	212	221	231	245	697
Maths, science and technology	319	347	362	385	1 095
National school nutrition programme	5 462	5 704	6 006	6 306	18 016
Occupational-specific dispensation for education sector therapists	213	67	–	–	67
Cooperative Governance and Traditional Affairs	197	103	112	123	338
Provincial disaster	197	103	112	123	338
Health	30 164	31 858	34 338	37 495	103 692
Comprehensive HIV and AIDS	12 102	13 737	15 467	17 440	46 644
Health facility revitalisation	5 502	5 276	5 473	5 817	16 565
Health professions training and development	2 322	2 375	2 477	2 632	7 483
National tertiary services	10 168	10 398	10 847	11 526	32 771
National health insurance	70	72	75	80	228
Human Settlements	17 084	18 203	19 884	21 060	59 147
Human settlements development	17 084	18 203	19 884	21 060	59 147
Public Works	607	591	762	809	2 162
Expanded public works programme integrated grant for provinces	349	351	402	424	1 176
Social sector expanded public works programme incentive for provinces	258	241	360	386	986
Social Development	29	48	48	–	95
Substance abuse treatment	29	48	48	–	95
Sport and Recreation South Africa	526	537	561	596	1 694
Mass participation and sport development	526	537	561	596	1 694
Transport	14 194	14 790	15 288	16 281	46 359
Provincial roads maintenance	9 361	9 851	10 138	10 808	30 797
Public transport operations	4 833	4 939	5 150	5 473	15 563
Total direct conditional allocations	79 739	85 485	90 994	97 490	273 970
Indirect transfers	4 116	3 458	3 596	3 967	11 021
Basic Education	2 541	2 047	2 375	2 620	7 042
School infrastructure backlogs	2 541	2 047	2 375	2 620	7 042
Health	1 575	1 411	1 221	1 347	3 979
National health	1 575	1 411	1 221	1 347	3 979

Source: National Treasury

Agriculture grants

The *comprehensive agricultural support programme* aims to support newly established and emerging farmers, particularly subsistence, smallholder and previously disadvantaged farmers. Of the grant, 70 per cent is allocated to the production of livestock and crops. The grant also aims to expand farm infrastructure and provide support for dipping, fencing and rehabilitating viable irrigation schemes. Allocations over the MTEF period include R195.7 million for the repair of flood damage to agricultural infrastructure. The baseline reduction on this grant in 2015/16 is R37.1 million. The grant is allocated R5.2 billion over the medium term.

The *land care programme grant: poverty relief and infrastructure development* aims to improve productivity and the sustainable use of natural resources. Provinces are also encouraged to use this grant to create jobs through the Expanded Public Works Programme. The baseline reduction on this grant in 2015/16 is R1.8 million. Over the medium term, R209.2 million is allocated to this grant.

The *Ilima/Letsema projects grant* aims to boost food production by helping previously disadvantaged farming communities. After the Department of Agriculture, Forestry and Fisheries has tested the new approach, it will make this grant subject to the standard operating procedure for farmer support. The baseline reduction on this grant in 2015/16 is R11 million. It is allocated R1.5 billion over the MTEF period.

Arts and culture grant

The *community library services grant*, administered by the Department of Arts and Culture, aims to help South Africans access knowledge and information to improve their socioeconomic situation. The grant is allocated to the relevant provincial department and administered by that department or through a service-level agreement with municipalities. In collaboration with provincial departments of basic education, the grant also funds dual service point libraries that serve both schools and the general public. Funds from this grant may also be used to shift the libraries function between provinces and municipalities. The baseline reduction on this grant in 2015/16 is R29.5 million, but average annual growth over the MTEF period remains strong at 12.7 per cent. The grant is allocated R4.1 billion over the next three years.

Basic education grants

Provinces use the *education infrastructure grant* to construct, maintain and refurbish education infrastructure and schools. The baseline reduction on this grant in 2015/16 is R213.9 million. The grant totals R29.6 billion over the MTEF period, which includes a ring-fenced amount of R322.1 million over the three years to repair school infrastructure damaged by natural disasters.

Infrastructure grant reforms to improve planning were introduced in 2013 after a decade of provincial capacity building through the Infrastructure Delivery Improvement Programme. Under the requirements introduced in the 2013 Division of Revenue Bill, provincial education departments had to go through a two-year planning process to be eligible to receive incentive allocations in 2015/16. The departments had to meet certain prerequisites in 2013/14 and have their infrastructure plans approved in 2014/15. The national Department of Basic Education and the National Treasury assessed the provinces' infrastructure plans. A moderation process was undertaken between the national departments, provincial treasuries and provincial departments of basic education to agree on the final scores. Provinces needed to obtain a minimum score of 60 per cent to qualify for the incentive. Table W1.22 shows the final score and incentive allocation for each province.

Table W1.22 Education infrastructure grant allocations

R million	User Asset Management Plan assessment	2015/16			Final allocation for 2015/16
		Basic component	Incentive component	Disaster recovery funds	
Eastern Cape	71%	1560	94	50	1 704
Free State	42%	763	–	–	763
Gauteng	63%	852	84	–	936
KwaZulu-Natal	64%	1870	85	24	1 979
Limpopo	43%	736	–	69	805
Mpumalanga	48%	848	–	10	857
Northern Cape	66%	359	88	–	447
North West	69%	852	92	51	995
Western Cape	81%	920	108	5	1 032
Total		8 758	550	209	9 518

Source: National Treasury

The national Department of Basic Education is reviewing the *education infrastructure grant* formula for outer-year allocations, so changes should be expected in the indicative allocations published for 2016/17 and 2017/18. Allocations for the incentive component in the outer years are shown as unallocated.

The *national school nutrition programme grant* seeks to improve the nutrition of poor school children, enhance active learning capacity and increase school attendance. It provides a free daily meal to pupils in the poorest 60 per cent of schools (quintile 1 to 3). The grant's purpose has been expanded to include deworming of learners without incurring a change in its 2015 MTEF allocations. This expansion will be funded through the grant's nutrition and food production component. The grant is allocated R18 billion over the MTEF period. The baseline has not been reduced.

The *maths, science and technology grant* has been created by merging the *Dinaledi schools grant* with the *technical secondary schools recapitalisation grant*. By combining these similar and overlapping programmes, they can be better administered and expanded to reach more schools. The new grant's baseline is the sum of the baseline allocations for the two previous grants after 1 per cent has been removed to fund improved administration of the grant at national level. The baseline reduction on this grant in 2015/16 is R8.3 million. It is allocated R1.1 billion over the 2015 MTEF period.

The *HIV and Aids (life skills education) programme grant* provides for life skills training and sexuality and HIV/AIDS education in primary and secondary schools. It is fully integrated into the school system, with learner and teacher support materials provided for Grades 1 to 9. The baseline reduction on this grant in 2015/16 is R5.3 million. It is allocated R697.2 million over the MTEF period.

The *school infrastructure backlogs grant* is an indirect grant to provinces that was introduced in 2011 as a temporary, high-impact grant. The national Department of Basic Education uses this grant to build and upgrade schools on behalf of provinces to address inappropriate structures and access to basic services. Due to the grant's lack of spending, R297 million has been reprioritised over the MTEF period to offset the impact of the baseline reductions on the *occupational-specific dispensation for education sector therapists grant*, the *further education and training colleges grant* and the *national school nutrition programme grant*. The grant is allocated R7 billion over the next three years.

The *occupational-specific dispensation for education sector therapists grant* provides funds for provinces to implement the occupation-specific dispensation agreement for therapists, counsellors and psychologists in the education sector. The grant is allocated for two years (2014/15 and 2015/16) while back-pay is being funded and new remuneration levels are normalised. No baseline reduction has been effected on this grant. From 2016/17, the funds will be allocated as part of the provincial equitable share. The grant has been allocated R67 million for its last year in 2015/16.

Cooperative governance grant

The *provincial disaster grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance and is unallocated at the start of the financial year. The grant allows for an immediate (in-year) release of funds to be disbursed by the National Disaster Management Centre after a disaster is declared, without the need for the transfers to be gazetted first. The reconstruction of infrastructure damaged by disasters is funded separately through ring-fenced allocations in sector grants. Due to past underspending on this grant, R298.5 million has been reprioritised out of the grant over the 2015 MTEF period. To ensure that sufficient funds are available in the event of a disaster, section 26 of the 2015 Division of Revenue Bill allows for funds allocated to the *municipal disaster grant* to be transferred to provinces if funds in the *provincial disaster grant* have already been exhausted, and vice versa. The bill also allows for more than one transfer to be made to areas affected by disasters so that an initial payment for emergency aid can be made before a full assessment of damages and costs has been completed. The baseline reduction on this grant in 2015/16 is R2.6 million. Over the MTEF period, R338.2 million is available for disbursement through this grant.

Health grants

The *national tertiary services grant* provides strategic funding to enable provinces to plan, modernise and transform tertiary hospital service delivery in line with national policy objectives. The grant operates in 33 hospitals across the nine provinces. The urban areas of Gauteng and the Western Cape receive the largest shares of the grant because they provide the largest proportion of high-level, sophisticated services for the benefit of the country's health sector. The baseline reduction on this grant in 2015/16 is R237.9 million. The grant is allocated R32.8 billion over the MTEF period.

The *health facility revitalisation grant* funds the construction and maintenance of health infrastructure. It was created in 2013/14 through the merger of three previous grants. The grant funds a wide range of health infrastructure projects, including large projects to modernise hospital infrastructure and equipment, general maintenance and infrastructure projects at smaller hospitals, and the refurbishment and upgrading of nursing colleges and schools. The baseline reduction on this grant in 2015/16 is R122.8 million. The grant totals R16.6 billion over the MTEF period, which includes R17.8 million ring-fenced to repair clinics damaged by natural disasters.

Similar to the reforms to the *education infrastructure grant* discussed above, a two-year planning process is now required for provinces to access this grant. The national Department of Health and the National Treasury conducted an assessment of the provinces' infrastructure plans, followed by a moderation process between the national departments, provincial treasuries and provincial departments of health to agree on the final scores. Provinces had to obtain a minimum score of 60 per cent to qualify for the incentive. Table W1.23 sets out the final score and the incentive allocation per province.

Table W1.23 Health facility revitalisation grant allocations

R million	User Asset Management Plan assessment	2015/16			Final allocation for 2015/16
		Basic component	Incentive component	Disaster recovery funds	
Eastern Cape	71%	451	139	2	592
Free State	52%	565	–	–	565
Gauteng	59%	314	–	–	314
KwaZulu-Natal	66%	1 100	129	–	1 230
Limpopo	58%	187	–	7	194
Mpumalanga	57%	287	–	1	288
Northern Cape	70%	456	137	–	594
North West	61%	569	120	7	695
Western Cape	76%	655	149	–	804
Total		4 585	674	17	5 276

Source: National Treasury

The national Department of Health is reviewing the *health facility revitalisation grant* formula for outer-year allocations, so changes should be expected in the indicative allocations for 2016/17 and 2017/18. Allocations for the incentive component in the outer years are shown as unallocated.

The *health professions training and development grant* funds the training of health professionals, and the development and recruitment of medical specialists. It enables the shifting of teaching activities from central to regional and district hospitals. The baseline reduction on this grant in 2015/16 is R53.9 million. The grant is allocated R7.5 billion over the medium term.

The *comprehensive HIV and Aids grant* supports HIV/AIDS prevention programmes and specific interventions, including voluntary counselling and testing, prevention of mother-to-child transmission, post-exposure prophylaxis, antiretroviral treatment and home-based care. In addition to substantial increases to this grant and the provincial equitable share over previous MTEF periods, no baseline reduction has been effected on this grant and R1.2 billion is added in the baseline in 2017/18 to cover the increased antiretroviral treatment take-up rate. Because funds from this grant are used to pay for a significant number of tests conducted by the NHLS, R691.2 million has been taken out of this grant over

the MTEF period as part of the change in funding arrangements for the NHLS described above. This brings the baseline to R46.6 billion over the MTEF period, with average annual growth of 12.3 per cent.

The *national health insurance grant* funds the national health insurance pilots introduced in 2012/13, which aim to strengthen primary healthcare for the implementation of national health insurance. Ten districts have been selected as pilot sites to test interventions that aim to strengthen health systems and improve performance. The baseline reduction on this grant in 2015/16 is R1.9 million. Over the 2015 MTEF period, the grant has been allocated R227.6 million. This grant is complemented by the national health insurance component within the *national health grant*.

The *national health grant* is an indirect grant introduced in 2013/14, which is spent by the Department of Health on behalf of provinces. The grant has three components, one to support infrastructure projects, a second to support the national health insurance scheme pilot sites, and a third to support the rollout of the human papillomavirus vaccine. The infrastructure component will be used to accelerate construction, maintenance, upgrades and rehabilitation for new and existing health infrastructure. The second component will be used to contract general practitioners from the private sector for national health insurance sites. It will also support 10 central hospitals to strengthen their patient information systems and develop and pilot alternative hospital reimbursement tools. Funds for exploring the use of diagnostic-related groups to structure health budgets has been shifted from the national health insurance component of the indirect *national health grant* to the Department of Health's core budget. The human papillomavirus vaccine component is allocated for two years (2014/15 and 2015/16), and will be used to support provincial health departments with the rollout of the vaccine. Funds for the vaccine have been added to the provincial equitable share in 2016/17. A total of R352.7 million was reprioritised from this grant to offset the baseline reductions that would have been effected on the *comprehensive HIV and Aids grant*. The *national health grant* is allocated R4 billion over the MTEF period.

Human settlements grant

The *human settlements development grant* seeks to establish habitable, stable and sustainable human settlements in which all citizens have access to social and economic amenities. This grant is allocated using a formula with three components:

- The first component shares 70 per cent of the total allocation between provinces in proportion to their share of the total number of households living in inadequate housing. Data from the 2011 Census is used for the number of households in each province living in informal settlements, shacks in backyards and traditional dwellings. Not all traditional dwellings are inadequate, which is why information on the proportion of traditional dwellings per province with damaged roofs and walls from the 2010 General Household Survey is used to adjust these totals so that only traditional dwellings that provide inadequate shelter are counted in the formula.
- The second component determines 20 per cent of the total allocation based on the share of poor households in each province. The number of households with an income of less than R1 500 per month is used to determine 80 per cent of the component and the share of households with an income of between R1 500 and R3 500 per month is used to determine the remaining 20 per cent. Data used in this component comes from the 2011 Census.
- The third component, which determines 10 per cent of the total allocation, is shared in proportion to the number of people in each province, as measured in the 2011 Census.

In addition to the allocations determined through the formula, a total of R3.3 billion is ring-fenced over the 2015 MTEF period to upgrade human settlements in mining towns in six provinces. These allocations respond to areas with significant informal settlement challenges, with a high proportion of economic activity based on the natural resources sector. A total of R740.1 million is also ring-fenced over the MTEF period to repair infrastructure damaged by natural disasters.

The baseline reduction on this grant in 2015/16 is R411.4 million. A further R240 million over the 2015 MTEF period has been reprioritised from the grant to the Housing Development Agency, which is

expanding its mandate to include some of the planning and project development work that was previously carried out by provinces. The grant's allocation totals R59.1 billion over the medium term.

Public works grants

The *expanded public works programme integrated grant for provinces* incentivises provincial departments to use labour-intensive methods in infrastructure, environmental and other projects. Grant allocations are determined upfront based on the performance of provincial departments in meeting job targets in the preceding financial year. The baseline reduction on this grant in 2015/16 is R5.96 million. It is allocated R1.2 billion over the MTEF period.

The *social sector expanded public works programme incentive grant for provinces* rewards provinces for creating jobs in the preceding financial year in the areas of home-based care, early childhood development, adult literacy and numeracy, community safety and security, and sports programmes. The grant's allocation model incentivises provincial departments to participate in the Expanded Public Works Programme and measures the performance of each province relative to its peers, providing additional incentives to those that perform well. The baseline reduction on this grant in 2015/16 is R8 million. The grant is allocated R985.8 million over the MTEF period.

Social development grant

The *substance abuse treatment grant* aims to build public substance abuse treatment facilities in the four provinces that do not already have such facilities: the Eastern Cape, the Free State, the Northern Cape and the North West. The grant is administered by the Department of Social Development and is expected to run for two more years before it is incorporated into the provincial equitable share in 2017/18. The grant has adopted the processes implemented for the *education infrastructure grant* and the *health facility revitalisation grant* to streamline the process of planning and building these facilities, although the allocation criteria for the grant remains unchanged. No baseline reduction has been effected on this grant. It has been allocated R95 million over the 2015 MTEF period.

Sport and recreation South Africa grant

The *mass participation and sport development grant* aims to increase and sustain mass participation in sport and recreational activities in the provinces, with greater emphasis on provincial and district academies. The baseline reduction on this grant in 2015/16 is R12.5 million. It is allocated R1.7 billion over the MTEF period.

Transport grants

The *public transport operations grant* subsidises commuter bus services. It supports provinces to ensure that contractual obligations are met and services are efficiently provided. The public transport contracting and regulatory functions may be assigned to certain metropolitan municipalities during 2015/16. If this takes place, funds for this grant will be transferred directly to the assigned municipality. The baseline reduction on this grant in 2015/16 amounted to R113.3 million. The grant is allocated R15.6 billion over the MTEF period.

The *provincial roads maintenance grant* consists of three components. The largest component enables provinces to expand their maintenance activities. The other components allow provinces to repair roads damaged by floods and rehabilitate roads that are heavily used in support of electricity production. Grant allocations are determined using a formula based on provincial road networks, road traffic and weather conditions. These factors reflect the different costs of maintaining road networks in each province. The grant requires provinces to follow best practices for planning and to use and regularly update road asset management systems.

In future the grant will be allocated based on performance. The model's indicators – vehicle operating costs and remaining asset lifespan – have been finalised and the performance component will inform future grant allocations. An amount of R149 million has been reprioritised out of this grant over the 2015 MTEF

period in anticipation of the transfer of the R573 Moloto Road from provinces to SANRAL. The agency will perform urgent upgrades to improve the road's safety as part of its non-tolled network once the provincial governments in Gauteng, Mpumalanga and Limpopo formally transfer the road. The baseline reduction on this grant in 2015/16 is R219.1 million. The total allocation for the MTEF period is R30.8 billion, including ring-fenced allocations of R1 billion for the repair of infrastructure damaged by floods.

■ Part 5: Local government fiscal framework and allocations

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

The 2015 MTEF does not significantly alter the structure of transfers to local government. Instead, it makes several small changes as part of the ongoing policy reforms and baseline reductions outlined in the 2014 *Medium Term Budget Policy Statement*. Despite the reductions, allocations to municipalities continue to grow in real terms, with significant growth in water and sanitation and electricity grants. This emphasis on basic services aligns with the back-to-basics approach to local government announced by the Minister of Cooperative Governance in 2014. The local government fiscal framework as a whole – including all transfers and own revenues – is structured to support the achievement of the National Development Plan's goals.

The first phase of the review of local government infrastructure grants is complete and its outcomes have begun to be implemented. The recommendation to rationalise grants, for example, has led to the consolidation of two public transport grants to cities. Elsewhere, the emphasis on enhanced life-cycle asset management is reflected in new conditions allowing certain grant funds to be used for refurbishment. Planned changes to individual conditional grants over the 2015 MTEF period are discussed in detail below and more extensive reforms will follow the second phase of the review.

This section outlines the transfers made to local government and how these funds are distributed between municipalities. Funds raised by national government are transferred to municipalities through conditional and unconditional grants. National transfers to municipalities are published to enable them to plan fully for their 2015/16 budgets, and to promote better accountability and transparency by ensuring that all national allocations are included in municipal budgets.

Transfers to local government

Over the 2015 MTEF period, R313.7 billion will be transferred directly to local government and a further R31.9 billion has been allocated to indirect grants. Direct transfers to local government in 2015/16 account for 9.1 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government increases to 10 per cent of national non-interest expenditure.

Table W1.24 Transfers to local government, 2011/12 – 2017/18

R million	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Outcome			Revised estimate	Medium-term estimates		
Direct transfers	68 251	76 430	82 836	89 076	99 753	103 936	110 017
Equitable share and related	33 173	37 139	38 964	43 290	50 208	52 869	55 512
Equitable share formula ¹	29 289	32 747	34 268	38 210	45 052	47 419	49 794
RSC levy replacement	3 544	3 733	3 930	4 146	4 337	4 567	4 795
Support for councillor remuneration and ward committees	340	659	766	935	819	883	923
General fuel levy sharing	8 573	9 040	9 613	10 190	10 659	11 224	11 785
Conditional grants	26 505	30 251	34 258	35 595	38 887	39 844	42 720
Infrastructure	24 643	27 923	31 991	33 345	36 440	37 254	39 911
Capacity building and other	1 862	2 329	2 267	2 250	2 447	2 590	2 809
Indirect transfers	2 660	4 548	5 523	8 536	10 395	10 634	10 916
Infrastructure	2 541	4 548	5 523	8 536	10 395	10 634	10 916
Capacity building and other	119	–	–	–	–	–	–
Total	70 911	80 978	88 359	97 612	110 149	114 570	120 933

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

Source: National Treasury

Changes to local government allocations

Direct transfers to local government will grow at an annual average rate of 7.3 per cent over the 2015 MTEF period. As discussed in Chapter 5 of the *Budget Review*, a reduced expenditure ceiling is being applied proportionately across all three spheres of government. No reductions are made to the local government equitable share, which continues to experience substantial growth in real terms in 2015/16. This protects the main source of funding for free basic services in municipalities. All conditional grants have been reduced by between 0.9 per cent and 5.5 per cent of each grant's baseline allocation in 2015/16, with larger reductions on slow-spending grants and non-infrastructure grants. Grant administrators and municipalities should be able to absorb the impact of these reductions without having to reduce planned outputs. Achieving this will require greater efficiency in spending. Details of each conditional grant's reductions are provided in Table W1.25.

**Table W1.25 Baseline reductions to local government allocations
announced in the 2014 MTBPS**

R million	2015/16	2016/17
	Medium-term estimates	
Infrastructure conditional grants	-623	-1 000
Municipal infrastructure	-142	-219
Municipal water infrastructure	-76	-116
Urban settlements development	-100	-156
Integrated national electrification programme	-76	-129
Public transport network	-188	-304
Neighbourhood development partnership	-22	-38
Integrated city development	-15	-26
Rural roads asset management systems	-1	-1
Rural households infrastructure	-3	-11
Capacity building and other conditional grants	-297	-370
Municipal systems improvement	-10	-16
Local government financial management	-17	-29
Municipal human settlements capacity	-200	-200
Water services operating subsidy	-17	-29
Expanded public works programme	-23	-42
Infrastructure skills development	-5	-8
Energy efficiency and demand-side management	-10	-18
Municipal disaster	-15	-26
Total reduction to baseline	-921	-1 370

Source: National Treasury

In addition to the baseline reductions discussed above, several other reprioritisations and changes to the structure of conditional grants were agreed to during the budget process. These are summarised in Table W1.26.

**Table W1.26 Revisions to direct and indirect transfers to local government,
2015/16 – 2017/18**

R million	2015/16	2016/17	2017/18	2015 MTEF Total revisions
Technical adjustments	–	–	–	–
Direct transfers	529	30	22	581
Municipal water infrastructure	500	–	–	500
Neighbourhood development partnership	29	30	22	81
Indirect transfers	-529	-30	-22	-581
Municipal water infrastructure	-500	–	–	-500
Neighbourhood development partnership	-29	-30	-22	-81
Additions to baselines	906	890	1 050	2 846
Direct transfers	206	190	550	946
Municipal demarcation transition	39	50	50	139
Municipal disaster recovery	167	140	–	307
Municipal water infrastructure	–	–	500	500
Indirect transfers	700	700	500	1 900
Regional bulk infrastructure	700	700	–	1 400
Municipal water infrastructure	–	–	500	500
Reductions to baseline	-1 096	-1 569	-223	-2 887
Direct transfers	-1 029	-1 470	-100	-2 599
Impact of reductions to baseline announced in 2014 MTBPS (see detail in Table W1.25)	-921	-1 370	–	-2 291
Municipal disaster	-100	-100	-100	-300
Expanded public works programme integrated grant for municipalities	-8	–	–	-8
Indirect transfers	-67	-99	-123	-288
Integrated national electrification programme	-67	-99	-123	-288
Total change to local government allocations				
Change to direct transfers	-294	-1 250	472	-1 072
Change to indirect transfers	104	571	355	1 031
Net change to local government allocations	-190	-679	827	-41

Source: National Treasury

An addition of R2.4 billion has been made to the *municipal water infrastructure grant* and the *regional bulk infrastructure grant* over the MTEF period to accelerate the provision of basic water supply to all households and improve the state of water services infrastructure nationwide. A new grant of R139 million will subsidise the additional institutional and administrative costs arising from municipal mergers due to come into effect at the time of the 2016 local government elections, as announced by the Municipal Demarcation Board.

Other changes to local government allocations are more technical and reflect the shift of funds between direct and indirect grants, and the impact of the national macro-organisation of the state that followed the 2014 national elections. For example, the sanitation function, including all sanitation-related grants, has shifted from the Department of Human Settlements to the Department of Water and Sanitation.

After accounting for all reductions and additions, direct transfers decrease by a net amount of R1.1 billion over the medium term when compared to the indicative baseline published in the 2014 Budget. Indirect transfers to local government (allocations spent by national departments on behalf of municipalities) increase by R1 billion over the MTEF period, bringing the net decrease in local government allocations to R41 million. Despite this small baseline reduction, total allocations to local government will experience above-inflation growth over the MTEF period, increasing by R12.5 billion in 2015/16 alone.

The local government equitable share

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

Over the 2015 MTEF period, the local government equitable share, including the *RSC/JSB levies replacement grant* and *special support for councillor remuneration and ward committees*, amounts to R158.6 billion – R50.2 billion in 2015/16, R52.9 billion in 2016/17, and R55.5 billion in 2017/18.

Formula for allocating the local government equitable share

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

A new formula for the local government equitable share was introduced in 2013/14, following a review of the previous formula by the National Treasury, the Department of Cooperative Governance and SALGA, in partnership with the FFC and Statistics South Africa. The new formula is based on data from the 2011 Census, which resulted in major changes to some allocations. As a result, new allocations are being phased in over a five-year period, ending in 2017/18. The local government equitable share formula's principles and objectives were set out in detail in the Explanatory Memorandum to the 2013 Division of Revenue.

Structure of the local government equitable share formula

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

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

Each of these components is described in detail in the subsections that follow. The formula's structure is summarised in the box.

Structure of the local government equitable share formula

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

where

LGES is the local government equitable share

BS is the basic services component

I is the institutional component

CS is the community services component

RA is the revenue adjustment factor

C is the correction and stabilisation factor

The basic services component

This component helps municipalities provide free basic water, sanitation, electricity and refuse removal services to households that fall below an affordability threshold. Following municipal consultation, the formula's affordability measure (used to determine how many households need free basic services) is based on the level of two state old age pensions. When the 2011 Census was conducted, the state old age pension was worth R1 140 per month, which means that two old age pensions were worth R2 280 per month. A monthly household income of R2 300 per month (in 2011) has therefore been used to define the formula's affordability threshold. Statistics South Africa has calculated that 59 per cent of all households in South Africa fall below this income threshold. The threshold is not an official poverty line or a required level to be used by municipalities in their own indigence policies – if municipalities choose to provide fewer households with free basic services than they are funded for through the local government equitable share, then their budget documentation should clearly set out why they have made this choice and how they have consulted with their community during the budget process.

The number of households per municipality, and the number below the poverty threshold, is updated annually based on the growth experienced in the period between the 2001 and 2011 Censuses. Provincial growth rates are then rebalanced to match the average annual provincial growth reported between 2002 and 2013 in the annual General Household Survey. Statistics South Africa has advised the National Treasury that, in the absence of official municipal household estimates, this is a credible method of estimating the household numbers per municipality needed for the formula. Statistics South Africa is researching methods for producing municipal-level data estimates, which may be used to inform equitable share allocations in future.

The basic services component provides a subsidy of R313.76 per month in 2015/16 for the cost of providing basic services to each of these households. The subsidy includes funding for the provision of free basic water (6 kilolitres per poor household per month), energy (50 kilowatt-hours per month) and sanitation and refuse (based on service levels defined by national policy). The monthly amount provided for each service is detailed in Table W1.27 and includes an allocation of 10 per cent for service maintenance costs.

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

	Allocation per household below affordability threshold (Rands per month)			Total allocation per service (R millions)
	Operations	Maintenance	Total	
Energy	59.57	6.62	66.19	7 122
Water	89.77	9.97	99.75	10 732
Sanitation	72.37	8.04	80.41	8 651
Refuse	60.67	6.74	67.41	7 252
Total basic services	282.38	31.38	313.76	33 757

Source: National Treasury

The formula uses the fairest estimates of the average costs of providing each service that could be derived from available information. More details of how the costs were estimated can be found in the discussion paper on the proposed structure of the new local government equitable share formula (available at: http://mfma.treasury.gov.za/Media_Releases/LGESDiscussions/Pages/default.aspx).

The per household allocation for each of the basic services in Table W1.27 is updated annually based on the following:

- The electricity cost estimate is made up of bulk and other costs. Bulk costs are updated based on the multi-year price determination approved by the National Energy Regulator of South Africa (NERSA). In October 2014, NERSA granted Eskom a 12.69 per cent increase in electricity prices in 2015/16, which has been factored into the equitable share's cost estimate. Bulk electricity prices for 2016/17 and 2017/18 are based on NERSA's approved multi-year price determination increase of 8 per cent per year. If NERSA approves further increases, the revised amounts will be taken into account in future formula updates. Other electricity costs are updated based on the National Treasury's inflation projections in the 2014 *Medium Term Budget Policy Statement*.
- The water cost estimate is also made up of bulk and other costs. Bulk costs are updated based on the weighted average increase in bulk tariffs charged by water boards (although not all municipalities purchase bulk water from water boards, their price increases serve as a proxy for the cost increases for all municipalities). The approved weighted average tariff increase for bulk water from water boards in 2014/15 was 8.3 per cent. Other costs are updated based on the National Treasury's inflation projections in the 2014 *Medium Term Budget Policy Statement*.
- The costs for sanitation and refuse are updated based on the National Treasury's inflation projections in the 2014 *Medium Term Budget Policy Statement*.

The basic services component allocation to each municipality is calculated by multiplying the monthly subsidy per household by the updated number of households below the affordability threshold in each municipal area.

The basic services component

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

Funding for each basic service is allocated to the municipality (metro, district or local) that is authorised to provide that service. If another municipality provides a service on behalf of the authorised municipality, it must transfer funds to the provider in terms of section 29 of the Division of Revenue Act. The basic services component is worth R33.8 billion in 2015/16 and accounts for 74.9 per cent of the value of the local government equitable share.

The institutional component

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

This component consists of a base allocation of R5.6 million, which goes to every municipality, and an additional amount that is based on the number of council seats in each municipality. This reflects the relative size of a municipality's administration and is not intended to fund the costs of councillors only (the number of seats recognised for the formula is determined by the Minister of Cooperative Governance and Traditional Affairs). The base component acknowledges that there are some fixed costs that all municipalities face.

The institutional component

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

The institutional component accounts for 10 per cent of the equitable share formula and is worth R4.5 billion in 2015/16. This component is also complemented by special support for councillor remuneration in poor municipalities, which is not part of the equitable share formula (described in more detail later).

The community services component

This component funds services that benefit communities rather than individual households (which are provided for in the basic services component). It includes funding for municipal health services, fire services, municipal roads, cemeteries, planning, storm water management, street lighting and parks. To ensure this component assists municipalities with limited own-revenue-raising abilities, a revenue adjustment factor is applied so that these municipalities receive a larger proportion of the allocation.

The allocation for this component is split between district and local municipalities, because both provide community services. In 2015/16, the allocation to district and metropolitan municipalities for municipal health and related services is R7.81 per household per month. The component's remaining funds are allocated to local and metropolitan municipalities based on the number of households in each municipality.

The community services component

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

The community services component accounts for 15 per cent of the equitable share formula and is worth R6.8 billion in 2015/16.

The revenue adjustment factor

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

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

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

Based on this index, municipalities were ranked according to their per capita revenue-raising potential. The top 10 per cent of municipalities have a revenue adjustment factor of zero, which means that they do not receive an allocation from the institutional and community services components. The 25 per cent of municipalities with the lowest scores have a revenue adjustment factor of 100 per cent, which means that they receive their full allocation from the institutional and community services components. Municipalities between the bottom 25 per cent and top 10 per cent have a revenue adjustment factor applied on a sliding scale, so that those with higher per capita revenue-raising potential receive a lower revenue adjustment factor and those with less potential receive a larger revenue adjustment factor.

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

Because district municipalities do not collect own revenues from property rates, the revenue adjustment factor applied to these municipalities is based on the *RSC/JSB levies replacement grant* allocations. This grant replaces a source of own revenue previously collected by district municipalities and it is still treated as an own-revenue source in many respects. Similar to the revenue adjustment factor for local and metropolitan municipalities, the factor applied to district municipalities is based on their per capita *RSC/JSB levies replacement grant* allocations. District municipalities are given revenue adjustment factors on a sliding scale – those with a higher per capita *RSC/JSB levies replacement grant* allocation receive a lower revenue adjustment factor, while those with lower allocations receive a larger revenue adjustment factor.

Correction and stabilisation factor

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

A new equitable share formula was introduced in 2013/14 using updated 2011 Census data. As a result, some municipalities will experience large changes in their equitable share allocations. To smooth the impact of these changes and give municipalities time to adjust (both for municipalities with increasing and decreasing allocations), the new allocations are being phased in over five years, from 2013/14 to 2017/18. For municipalities with smaller allocations under the new formula, the phase-in mechanism measures the difference between the municipality's old and new allocations and closes this gap by 20 per cent each year. This means that in the first year a municipality only experienced a change equivalent to 20 per cent of the gap between their allocations under the old and new formulas, in the second year they completed 40 per cent of the change, in the third year (2015/16) they will complete 60 per cent, in 2016/17 they will complete 80 per cent, and in 2017/18 – the final year of the 2015 MTEF period – their allocation will be determined entirely through the new formula.

To provide for this phase-in approach, while staying within the limits of the equitable share, municipalities with larger allocations will also have their increases phased in over five years. The total top-up amount

needed to fund the phasing in for municipalities with declining allocations is calculated and deducted from those that do not require a top-up in proportion to their “surplus”. This means that municipalities with larger allocations will have some of those gains delayed over the phase-in period.

Ensuring the formula balances

The formula is structured so that all of the available funds are allocated. The basic services component is determined by the number of poor households per municipality and the estimated cost of free basic services, so it cannot be manipulated. This means that the balancing of the formula to the available resources must take place in the second part of the formula, which includes the institutional and community services components. The formula automatically determines the value of the allocation per council seat in the institutional component and the allocation per household for other services in the community services component to ensure that it balances. Significant increases in the cost of basic service provision – due to escalating bulk electricity prices for example – is fully funded by the formula, but this will result in slower growth in the institutional and community services allocations.

Potential future refinements to the formula

Although the local government equitable share formula has been through extensive consultations and technical work, national government continues to work with stakeholders to improve the formula. Areas of work include:

- Exploring the introduction of factors to account for costs related to the size of the land area served and settlement types in municipalities.
- Developing differentiated costing variables to take account of the different costs of services in various circumstances. SALGA and the FFC have completed the first phase of a project that could provide the basis for calculating such variables in future. This work will continue in 2015/16.
- Exploring the creation of separate sub-components for fire services and municipal health services within the community services component. This would enhance transparency in allocations, although funds for the fire services function would need to be allocated to the municipality (district or local) authorised for this function within a specific area. The process can only be completed after the National Disaster Management Centre has completed its consideration of policy and legislative changes for fire services.

Government is committed to considering all proposed refinements to the formula, but another full review is not envisaged until the current formula has been fully phased in and municipalities have had time to adjust to the new allocations.

Details of new allocations

In addition to the three-year formula allocations published in the Division of Revenue Bill, a copy of the formula, including the data used for each municipality and each component, is published online (http://mfma.treasury.gov.za/Media_Releases/LGESDiscussions/Pages/default.aspx).

Other unconditional allocations

RSC/JSB levies replacement grant

Before 2006, district municipalities raised levies on local businesses through an RSC or JSB levy. This source of revenue was replaced in 2006/07 with the *RSC/JSB levies replacement grant*, which was allocated to all district and metropolitan municipalities based on the amounts they had previously collected through the levies (the *RSC/JSB levies replacement grant* for metropolitan municipalities has since been replaced by the sharing of the general fuel levy). The grant’s value increases every year. In 2015/16, the grant increases by 7.4 per cent a year for district municipalities authorised for water and sanitation and 2.5 per cent for unauthorised district municipalities. The different rates recognise the various service delivery responsibilities of these district municipalities.

Special support for councillor remuneration and ward committees

Councillors' salaries are subsidised in poor municipalities. The total value of the support provided in 2015/16 is R818.9 million, calculated separately to the local government equitable share and in addition to the funding for governance costs provided in the institutional component. The level of support for each municipality is allocated based on a system gazetted by the Minister of Cooperative Governance and Traditional Affairs, which classifies municipal councils into six grades based on their total income and population size. Special support is provided to the lowest three grades of municipal councils (the smallest and poorest municipalities). During 2014, gradings for all municipalities were recalculated using data from the 2011 Census. The revised gradings, approved by Members of the Executive Council for Cooperative Governance and collated by the national Department of Cooperative Governance, have been used to update the allocations for the 2015 MTEF period. The use of 2011 Census data means that a number of municipalities increased their grading levels and are consequently no longer eligible to receive the special support for councillor remuneration. These funds have been returned to the local government equitable share formula to be allocated to all municipalities.

A subsidy of 90 per cent of the gazetted maximum remuneration for a part-time councillor is provided for every councillor in grade 1 municipalities, 80 per cent for grade 2 municipalities and 70 per cent for grade 3 municipalities. Because the new maximum limits for councillor remuneration had not been gazetted when the 2015/16 allocations were determined, the level of subsidies provided for that year are based on the 2014/15 maximums plus inflation. In addition to this support for councillor remuneration, each local municipality in grades 1 to 3 receives an allocation to provide stipends of R500 per month to 10 members of each ward committee in their municipality. Each municipality's allocation for this special support is published in the appendices to the Division of Revenue Bill.

Conditional grants to local government

National government allocates funds to local government through a variety of conditional grants. These grants fall into two main groups: infrastructure and capacity building. The total value of conditional grants directly transferred to local government increases from R38.9 billion in 2015/16 to R39.8 billion in 2016/17 and R42.7 billion in 2017/18.

Infrastructure conditional grants to local government

National transfers for infrastructure, including indirect or in-kind allocations to entities executing specific projects in municipalities, amount to R145.5 billion over the 2015 MTEF period.

Table W1.28 Infrastructure grants to local government, 2011/12 – 2017/18

R million	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Outcome			Revised estimate	Medium-term estimates		
Direct transfers	24 643	27 923	31 991	33 345	36 440	37 254	39 911
Municipal infrastructure	11 443	13 879	14 224	14 429	14 956	15 548	16 435
Municipal water infrastructure	–	–	602	536	1 804	1 186	1 773
Urban settlements development	6 267	7 392	9 077	10 285	10 554	11 076	11 708
Integrated national electrification programme	1 097	1 151	1 635	1 105	1 980	2 036	2 197
Public transport network	4 612	4 884	5 550	5 871	5 953	6 163	6 610
Neighbourhood development partnership	738	578	586	591	607	624	663
Integrated city development	–	–	40	255	251	267	292
Rural roads asset management systems	35	37	52	75	97	102	107
Rural households infrastructure	–	–	107	5	48	113	124
Municipal disaster recovery	450	–	118	194	189	140	–
Indirect transfers	2 541	4 548	5 523	8 536	10 395	10 634	10 916
Integrated national electrification programme	1 165	1 879	2 141	2 948	3 613	3 776	3 946
Neighbourhood development partnership	50	80	55	58	26	22	28
Regional bulk infrastructure	1 260	2 523	3 261	4 005	4 922	5 324	4 855
Municipal water infrastructure	–	–	–	559	792	1 512	2 087
Bucket eradication programme	–	–	–	899	975	–	–
Rural households infrastructure	65	65	65	66	67	–	–
Total	27 184	32 471	37 514	41 881	46 835	47 888	50 826

Source: National Treasury

Municipal infrastructure grant

The largest infrastructure transfer is made through the *municipal infrastructure grant*, which supports government's aim to expand service delivery and alleviate poverty. The grant funds the provision of infrastructure for basic services, roads and social infrastructure for poor households in all non-metropolitan municipalities. Although the grant's baseline reduction amounts to R142.3 million in 2015/16, total allocations still increase to R15 billion in the same year, R15.5 billion in 2016/17 and R16.4 billion in 2017/18.

The Department of Cooperative Governance, which administers the *municipal infrastructure grant*, conducted a policy review of the grant during 2014. This review collaborated with the review of local government infrastructure grants to make proposals on the grant's future direction. These changes will be introduced in the 2016 Budget, but the 2015 Budget already makes a significant change through a new condition that allows the grant to be used for refurbishment projects, subject to proof of the asset's proper maintenance. The grant framework also clarifies that funds can be used to upgrade informal settlements. The condition introduced in the 2014 Budget that municipalities with households served by bucket systems must prioritise sanitation upgrades is retained.

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

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

C	Constant to ensure increased minimum allocation for small municipalities (this allocation is made to all municipalities)
B	Basic residential infrastructure (proportional allocations for water supply and sanitation, roads and other services such as street lighting and solid waste removal)
P	Public municipal service infrastructure (ring-fenced for municipal sport infrastructure)
E	Allocation for social institutions and micro-enterprises infrastructure
N	Allocation to the 24 priority districts identified by government

For the 2015 MTEF, the *municipal infrastructure grant* allocation formula uses data from the 2011 Census. Allocations for basic services sub-components are based on the proportion of the national backlog for that service in each municipality. Other components are based on the proportion of the country's poor households located in each municipality. Table W1.29 sets out the proportion of the grant accounted for by each component of the formula. The C-component provides a R5 million base to all municipalities receiving *municipal infrastructure grant* allocations.

Table W1.29 Municipal infrastructure grant allocations
per sector

Municipal infrastructure grant (formula)	Component weights	Proportion of municipal infrastructure grant per sector	Value of component 2015/16 (R millions)
B-component	75.0%		10 291
Water and sanitation	72.0%	54.0%	7 409
Roads	23.0%	17.3%	2 367
Other	5.0%	3.8%	515
P-component	15.0%		2 058
Sports	100.0%	15.0%	2 058
E-component	5.0%	5.0%	686
N-component	5.0%	5.0%	686
Constant			1 235
Total			14 956

Source: National Treasury

Since 2011/12, the P-component (15 per cent of the grant) has been ring-fenced for municipal sport and recreation infrastructure. This continues in the 2015 MTEF.

Urban settlements development grant

The *urban settlements development grant* is an integrated source of funding to provide infrastructure for municipal services and upgrade urban informal settlements in the eight metropolitan municipalities. The grant is allocated as a supplementary grant to cities (schedule 4 of the Division of Revenue Act), which means that municipalities are expected to use a combination of grant funds and their own revenue to develop urban infrastructure and integrated human settlements. Cities report their progress on these projects against the targets set in their service delivery and budget implementation plans. The grant's baseline is reduced by R100.4 million in 2015/16, and it is allocated a total of R33.3 billion over the 2015 MTEF period.

Metropolitan municipalities are still required to prioritise the eradication of bucket sanitation backlogs. In addition, new conditions in the framework require that at least 50 per cent of grant funds be used to upgrade informal settlements.

Integrated cities development grant

The grant provides a financial incentive for metropolitan municipalities to focus their use of infrastructure investment and regulatory instruments to achieve more compact and efficient urban spaces. Cities are required to submit built environment performance plans for this grant, including a brief strategic overview of the city's plans for the built environment, with a focus on the infrastructure grants that form part of the capital budget. The plan should show how the municipality will ensure alignment between its different grant-funded programmes and how it will address related policy and regulatory matters. All projects funded by sector-specific infrastructure grants, including the *urban settlements development grant*, the *public transport infrastructure grant*, the *neighbourhood development partnership grant* and the *integrated national electrification programme grant*, must form part of a metropolitan municipality's built environment performance plan. The grant's baseline reduction amounts to R14.7 million in 2015/16 and it is allocated R810.2 million over the 2015 MTEF period.

Neighbourhood development partnership grant

The *neighbourhood development partnership grant* supports cities in developing and implementing urban network plans. The aim is to create a platform for third-party public and private investment, which will improve the quality of life in township urban hubs. Projects in towns and rural areas are implemented in conjunction with the Department of Rural Development and Land Reform to support catalytic projects in these areas. The baseline reduction on this grant in 2015/16 is R22.1 million. The grant is allocated R2 billion over the MTEF period, which consists of R1.9 billion for the capital (direct) grant and R75.8 million for the technical assistance (indirect) grant.

Municipal water infrastructure grant

This grant was introduced in 2013/14 to accelerate the delivery of clean water to communities that do not have access to basic water services. The grant, administered by the Department of Water and Sanitation, provides funding for various projects, including the construction of new infrastructure and the refurbishment and extension of existing water schemes. It has both direct and indirect components. In areas where municipalities have the capacity to implement projects themselves, funds will be transferred through a direct grant. In other areas, the Department of Water and Sanitation will implement projects on behalf of municipalities through an indirect grant. As with other indirect grants, the national department is required to transfer skills to the municipalities benefiting from the indirect grant, so that they will be able to implement projects themselves in future. In 2015/16, R500 million is shifted from the indirect to the direct portion of the grant as municipal capacity to deliver improves. Following a reprioritisation within the department, an addition of R1 billion will be made available in 2017/18, which is split equally between the direct and indirect components.

The grant's baseline is reduced by R76.3 million in 2015/16. It has a total allocation of R9.2 billion over the 2015 MTEF period, consisting of R4.8 billion and R4.4 billion for the direct and indirect components respectively.

Following the outcomes of the first phase of the local government infrastructure grant review, the *municipal water infrastructure grant* is one of several water and sanitation grants that will be restructured over the 2015 MTEF period. This grant is expected to merge with other water and sanitation grants for a more consolidated water services funding package to municipalities. Further details will be announced in the 2015 *Medium Term Budget Policy Statement*.

Regional bulk infrastructure grant

This indirect grant supplements the financing of the social component of regional bulk water and sanitation infrastructure. It targets projects that cut across several municipalities or large bulk projects within one municipality. The grant funds the bulk infrastructure needed to provide reticulated water and sanitation services to individual households. It may also be used to appoint service providers to carry out feasibility studies, related planning or management studies for infrastructure projects. A parallel programme on the budget of the Department of Water and Sanitation also funds water boards for the construction of bulk

infrastructure. Though not part of the division of revenue, these projects still form part of the Department of Water and Sanitation's larger programme of subsidising the construction of regional bulk infrastructure for water and sanitation.

Following reprioritisation in the department, additions of R700 million in 2015/16 and a further R700 million in 2016/17 have been made to the grant, bringing its total value to R15.1 billion over the 2015 MTEF period.

Rural households infrastructure grant

The *rural households infrastructure grant* funds the provision of on-site solutions for sanitation services for rural households where piped infrastructure is not feasible. The grant is now managed by the Department of Water and Sanitation, as a result of the shift of the sanitation function from the Department of Human Settlements. The grant has both direct and indirect components. In areas where municipalities have the capacity to implement projects themselves, funds will be transferred through the direct grant. In other areas, the Department of Water and Sanitation will implement projects on behalf of municipalities through an indirect grant. The baseline reduction on this grant in 2015/16 amounts to R2.8 million. It is allocated R353.2 million over the 2015 MTEF period and will be subject to the aforementioned restructuring of water and sanitation grants.

Bucket eradication programme grant

The *bucket eradication programme grant* – previously the indirect *human settlements development grant* to provinces under the Department of Human Settlements – is an indirect grant to municipalities administered by the Department of Water and Sanitation. It retains the same purpose of eradicating bucket sanitation systems, but it is now better aligned with functional arrangements, given that sanitation is a municipal function. The bucket eradication programme was established in 2014 for a period of two years, which is why this grant has an allocation of R975.4 million for 2015/16 only. Several other grants also fund the upgrading of sanitation backlogs, including the *municipal infrastructure grant*, the *urban settlements development grant* and the *rural households infrastructure grant*.

Integrated national electrification programme

The national electrification programme has been instrumental in providing 85 per cent of all households with access to electricity, as reported in the 2011 Census. To sustain progress in connecting poor households to electricity, government will spend R17.5 billion over the next three years on the programme, representing average annual growth of 14.9 per cent over the MTEF period. Of this, municipalities are allocated R6.2 billion and Eskom is allocated R11.3 billion to spend on behalf of municipalities through an indirect grant. The baseline reduction on this grant in 2015/16 amounts to R75.7 million.

Public transport network grant

The *public transport network grant*, administered by the Department of Transport, helps cities create or improve public transport systems in line with the National Land Transport Act (2009) and the Public Transport Strategy. This includes all integrated public transport network infrastructure, such as bus rapid transit systems, conventional bus services and upgrades for pedestrian and cycling infrastructure. It also subsidises the operations of these services. The grant is allocated R18.7 billion over the 2015 MTEF period.

This grant has been created through the merger of two separate grants: the *public transport network operations grant* and the *public transport infrastructure grant*, for operational and infrastructure expenditure respectively. This consolidation is the first step towards changing the implicit incentives in the grant structure, so that cities are encouraged to plan for systems that will meet their public transport needs while still being financially sustainable over the long term. The grant will still have separate operational and capital windows but it will be easier to shift funds between these windows. As a result, cities will have to trade-off increased capital funding from the grant against the need to make greater contributions from their own funds to the operating costs of their networks. During 2015, the grant's allocation method and rules will be further refined as part of the review of local government infrastructure grants.

Rural roads asset management systems grant

The *rural roads asset management systems grant* is administered by the Department of Transport to improve rural road infrastructure. The grant funds the collection of data on the condition and usage of rural roads in line with the Road Infrastructure Strategic Framework for South Africa. This data will guide investments to maintain and improve these roads. District municipalities collect this data on all the municipal roads in their area so that the spending of infrastructure funds (from the *municipal infrastructure grant* and elsewhere) can be properly planned to maximise impact. From 2015/16, the grant is allocated to all district municipalities. As data becomes available for use in planning road maintenance, incentives will be introduced to ensure that municipalities use it to plan maintenance appropriately. The baseline reduction on this grant in 2015/16 amounts to R0.9 million and it is allocated R305.7 million over the MTEF period.

Municipal disaster recovery grant

This grant, administered by the National Disaster Management Centre in the Department of Cooperative Governance, is used to rehabilitate and reconstruct municipal infrastructure damaged by disasters. Over the 2015 MTEF period, R328.9 million is made available to repair infrastructure damaged by natural disasters that took place in 2013 and 2014.

Capacity-building grants and other current transfers

Capacity-building grants help to develop municipalities' management, planning, technical, budgeting and financial management skills. Other current transfers include the *expanded public works programme integrated grant for municipalities*, which promotes increased labour intensity in municipalities, and the new *municipal demarcation transition grant*, which assists municipalities with the additional costs associated with significant boundary changes. A total of R7.8 billion is allocated to capacity-building grants and other current transfers to local government over the 2015 MTEF period.

Table W1.30 Capacity building and other current grants to local government, 2011/12 – 2017/18

R million	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Outcome			Revised estimate	Medium-term estimates		
Direct transfers	1 862	2 329	2 267	2 250	2 447	2 590	2 809
Municipal systems improvement	220	230	240	252	251	259	279
Local government financial management	385	403	425	449	452	465	502
Municipal human settlements capacity	–	–	–	200	100	100	115
2013 African Cup of Nations host city operating	–	123	–	–	–	–	–
2014 African Nations Championship host city operating	–	–	120	–	–	–	–
Water services operating subsidy	542	562	421	450	453	466	502
Expanded public works programme integrated grant for municipalities	364	662	611	595	588	664	716
Infrastructure skills development	39	75	99	104	124	130	141
Energy efficiency and demand-side management	280	200	181	137	178	186	203
Municipal demarcation transition	–	–	–	–	39	50	50
Municipal disaster	32	73	171	64	261	270	300
Indirect transfers	119	–	–	–	–	–	–
Energy efficiency and demand-side management	119	–	–	–	–	–	–
Total	1 981	2 329	2 267	2 250	2 447	2 590	2 809

Source: National Treasury

Municipal human settlements capacity grant

This grant, administered by the Department of Human Settlements, funds capacity building for the development of human settlements in metropolitan municipalities. It was introduced in 2014/15 to fund capacity for the six metropolitan municipalities that were due to be assigned the housing function. The assignment process for this function has been held in abeyance, so the grant will now be extended to all eight metropolitan municipalities to build their capacity to deliver and subsidise the operational costs of administering human settlement programmes. Due to the changed focus of this grant, a larger baseline reduction has been effected on it than on other grants. In 2015/16, the baseline reduction on this grant is R200 million. The grant has allocations of R100 million in 2015/16, R100 million in 2016/17 and R115 million in 2017/18.

Municipal demarcation transition grant

The *municipal demarcation transition grant*, administered by the Department of Cooperative Governance, assists municipalities with additional costs that may arise during the transition to the new municipal boundaries due to come into effect after the 2016 local government elections. Only municipalities affected by type C boundary changes, involving amalgamations and category changes in terms of the Municipal Demarcation Board classifications, will receive allocations. The grant is therefore only allocated to the municipalities in KwaZulu-Natal and Gauteng that are affected by municipal mergers. This transitional grant has been introduced for a period of three years. It has been allocated R39 million in 2015/16, R50 million in 2016/17 and R50 million in 2017/18.

Local government financial management grant

The *local government financial management grant*, managed by the National Treasury, funds the placement of financial management interns and the modernisation of financial management systems. This includes building in-house municipal capacity to implement multi-year budgeting, linking integrated development plans to budgets, and producing quality and timely in-year and annual reports. The grant supports municipalities in the implementation of the Municipal Finance Management Act and also provides funds for the implementation of the municipal standard chart of accounts. The grant's baseline is reduced by R17.3 million in 2015/16. Total allocations amount to R1.4 billion over the 2015 MTEF period.

Infrastructure skills development grant

The *infrastructure skills development grant* develops capacity within municipalities by creating a sustainable pool of young professionals with technical skills related to municipal services, such as water, electricity and town planning. The grant places interns in municipalities, so they can complete the requirements of the relevant statutory council within their respective built environment fields. The interns can be hired by any municipality at the end of their internship. The grant's baseline reduction in 2015/16 amounts to R4.8 million and it is allocated R395.7 million over the 2015 MTEF period.

Municipal systems improvement grant

This grant helps municipalities perform their functions and stabilise institutional and governance systems, as required in the Municipal Systems Act (2000) and related legislation. The grant's baseline is reduced by R9.6 million in 2015/16. It is administered by the Department of Cooperative Governance and is allocated R788.9 million over the 2015 MTEF period.

Expanded public works programme integrated grant for municipalities

This grant promotes the use of labour-intensive methods in delivering municipal infrastructure and services. It is allocated through a formula based on past performance, which creates an incentive for municipalities. The formula has an extra weighting to give bigger allocations to poor, rural municipalities. R8.5 million in 2015/16 was reprioritised out of this grant during the 2015 budget process. The baseline

reduction on this grant in 2015/16 amounts to R22.8 million and it is allocated R2 billion over the 2015 MTEF period.

The energy efficiency and demand-side management grant

The *energy efficiency and demand-side management grant* funds selected municipalities to implement energy-efficiency projects, with a focus on public lighting and energy-efficient municipal infrastructure. In the 2015 MTEF period, the Department of Energy will monitor and verify grant-funded projects to ensure greater consistency in the procurement of accredited verification services. The grant's baseline is reduced by R10.4 million in 2015/16 and it is allocated R566.8 million over the 2015 MTEF period.

The water services operating subsidy grant

The *water services operating subsidy grant* funds the refurbishment of water schemes previously owned and managed by the national Department of Water and Sanitation. The grant used to have an indirect component that funded the costs of staff transfers to municipalities, but this is no longer needed because no further staff transfers are anticipated. Staff remaining with the national department will be paid using the R142.6 million that has been allocated to the department's budget baseline.

The baseline reduction on the remaining direct portion of the grant is R17.3 million in 2015/16. It is allocated R1.4 billion over the 2015 MTEF period and will be subject to the aforementioned restructuring of water and sanitation grants.

Municipal disaster grant

The *municipal disaster grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately – without the need for the transfers to be gazetted first. Due to past underspending on this grant, R300 million has been reprioritised out of the grant over the 2015 MTEF period. To ensure that sufficient funds are available in the event of disasters, section 26 of the Division of Revenue Bill allows for funds allocated to the *provincial disaster grant* to be transferred to municipalities if funds in the *municipal disaster grant* have already been exhausted, and vice versa. The bill also allows for more than one transfer to be made to areas affected by disasters, so that initial emergency aid can be provided before a full assessment of damages and costs is complete. The baseline reduction on this grant in 2015/16 amounts to R15.3 million. Over the MTEF period, R831.4 million is available for disbursement through this grant.

Part 6: Future work on provincial and municipal fiscal frameworks

The fiscal frameworks for provincial and local government encompass all their revenue sources and expenditure responsibilities. As underlying social and economic trends evolve and the assignment of intergovernmental functions change, so must the fiscal frameworks. The National Treasury, together with relevant stakeholders, conducts continuous reviews to ensure that provinces and municipalities have an appropriate balance of available revenues and expenditure responsibilities, while taking account of the resources available and the principles of predictability and stability. This part of the annexure describes the main areas of work to be undertaken during 2015/16 as part of the ongoing review and refinement of the intergovernmental fiscal framework. Provinces and municipalities will be consulted on all proposed changes to the fiscal frameworks.

The role of provinces and local government in promoting economic development

Provinces and municipalities play a crucial role in advancing the economic development of their respective precincts. Fully functional, well-equipped schools will produce a vibrant and employable workforce, which promotes higher employment. Smarter health systems develop and maintain the health of the workforce. Provincial agriculture departments' support to farmers can stimulate rural development. The provision of provincial and municipal roads and public transport services ensures mobility for goods and workers, while

basic municipal services such as water, electricity and refuse removal, as well as business licencing and environmental health functions, enable businesses to operate and grow. Well-managed procurement can maximise developmental impact without compromising efficiencies.

Government in all three spheres must work with businesses and other relevant stakeholders to provide an enabling environment for the faster and more inclusive economic growth called for in the National Development Plan. From 2015, national and provincial treasuries will work together through a task team of the Technical Committee on Finance to better define the role provinces should play in promoting economic development. This will enable provinces to maximise their impact on provincial economies in future.

Local government infrastructure grants review

The local government infrastructure grant system is being reviewed to improve the efficiency and effectiveness of infrastructure grants to municipalities. The National Treasury is leading the review in collaboration with the Department of Cooperative Governance, the Department of Planning, Monitoring and Evaluation, the FFC and SALGA through a working group and a steering committee. The first phase of the review was completed in September 2014, when the Budget Forum endorsed a set of principles for the grant system and a broad outline of the reforms' direction. A working paper detailing the draft recommendations is available for comment on the National Treasury's Municipal Finance Management Act website (http://mfma.treasury.gov.za/Media_Releases/ReviewOfLGInfrastructureGrants/Pages/default_final.aspx).

The second phase of the review continues in 2015 to develop the draft recommendations for reform. Based on the Budget Forum's endorsement, the reforms will broadly focus on the following areas:

- Rationalising the number of grants that each municipality receives
- Greater differentiation in the types of grants and levels of oversight for different municipalities
- Life-cycle asset management to sustain the functionality of existing infrastructure
- Strengthening administrative oversight to avoid ad-hoc proliferation of grants
- Standardising reporting to increase accountability
- Improving performance monitoring and benchmarking.

Small changes to certain grants have already been implemented to align with the strategic direction of the reforms. Following further analysis and stakeholder engagement, the review's working group and steering committee will use the draft recommendations to develop final reforms that will be discussed at the Budget Forum. The outcomes will be announced in October 2015, at the time of the *Medium Term Budget Policy Statement*, to prepare municipalities and other role-players for a phased implementation of reforms over the 2016 MTEF period.

Municipal demarcations

As described in part 5 of this annexure, a new *municipal demarcation transition grant* was introduced in the 2015 MTEF. In 2015/16, allocations are divided equally across the municipalities affected by amalgamations and category changes to prepare for the demarcations. Funds remain unallocated in the outer years, but work will continue in 2015 to develop appropriate criteria for allocating funds in 2016/17 and 2017/18 to the new municipalities that will come into effect following the 2016 local government elections.

These new municipalities do not yet legally exist, so they do not have indicative allocations for 2016/17 and 2017/18 in the 2015 Division of Revenue Bill. The 2011 Census data will have to be recalculated for the new municipal areas to determine indicative allocations for large formula-driven allocations such as the local government equitable share and the *municipal infrastructure grant*. Statistics South Africa has already been asked to recalculate this data and the National Treasury will work with transferring officers to develop indicative allocations for the newly formed municipalities. These allocations will be published on the Municipal Finance Management Act website and shared with the relevant municipalities during 2015.

This will enable improved planning and budgeting before the demarcations come into effect, which will help ensure that service delivery is not adversely affected by grant allocation uncertainty.

As per its first circular of 2015, the Municipal Demarcation Board is considering the request of the Minister of Cooperative Governance and Traditional Affairs to re-determine the boundaries of a number of additional municipalities. Should further demarcations result from this process, the National Treasury will work with relevant stakeholders and consult the Budget Forum on how the local government fiscal framework should respond. Any changes will be implemented in the 2016 Budget.

Supporting cities to promote urban spatial transformation and economic growth

Cities, through delivery of infrastructure and services, play an important role in creating a conducive environment for inclusive growth, job creation and poverty eradication. To achieve this will require well-managed spatial transformation of cities. Government is exploring changes to the fiscal and regulatory structures for urban municipalities to ensure that they have sufficient and effective instruments to mobilise revenue for financing municipal strategic infrastructure capable of promoting growth.

Potential changes to the structure of the fiscal framework include:

- Consolidating urban grants and enhancing the use of performance incentives with transfers, such as with the *integrated cities development grant* (this work will form part of the review of local government infrastructure grants).
- Enabling greater flexibility in the use of grants to accelerate the implementation of catalytic investments.
- Enabling cities to leverage grant and own-revenue funds over a longer period for strategic projects.

These measures will be complemented by reviews of, and potential changes to, the regulatory structures for development charges, municipal borrowing and metropolitan municipalities' own-revenue powers.

Any potential changes to the fiscal and regulatory systems will also be accompanied by additional technical support to further strengthen the capacity of cities to take advantage of these changes. The Cities Support Programme is coordinating initiatives in this area. Cities are already receiving expanded project preparation support to help them build a pipeline of strategic investment projects that can attract private finance. In addition, the Development Bank of Southern Africa is increasing its assistance to give cities better access to funding for strategic projects by enhancing their appraisal and supervision arrangements or extending the average debt maturity.

Regulating development charges

A development charge is a once-off infrastructure access fee imposed on a land owner as a condition of approving a land development that will substantially increase the use of or need for municipal infrastructure engineering services. Development charges are based on the concept that urban growth and expanded land use creates the need for additional infrastructure services, therefore the developer should pay the incidence costs. This prevents the financial burden from being imposed on municipalities or existing communities through higher tariffs and rates.

In 2009, the National Treasury, in conjunction with metropolitan municipalities and other stakeholders, began to develop a national policy framework for municipal development charges. The National Treasury is amending the Municipal Fiscal Powers and Functions Act (2007) to incorporate the regulation of development charges. Consultations with relevant stakeholders on the draft policy framework for development charges will take place in 2015 and a draft bill will be published by mid-2015.

Reforming municipal borrowing

Long-term borrowing can be an effective way for municipalities to finance infrastructure development. However, responsible borrowing requires an appropriate institutional framework and financial controls. The Policy Framework for Municipal Borrowing and Financial Emergencies (1999) and the Municipal

Finance Management Act set a range of measures to facilitate responsible municipal borrowing. These measures deal with issues such as sovereign risk, credit enhancements, maturities, avoidance of direct government assistance, and liquidity through the development of secondary markets.

Despite these measures, there are still some bottlenecks that impede the full participation of municipalities in the debt market to mobilise resources for infrastructure development. In October 2014, the National Treasury started a two-year review of the system of municipal borrowing to expand its scope. During this period, it will analyse the existing policy and regulatory framework, strengthen partnerships with financial institutions, improve monitoring and evaluation, and design municipal capacity-building programmes and strategies for responsible municipal borrowing. To date, the National Treasury has conducted consultation sessions with private lenders, investors and credit rating agencies to better understand the existing challenges. In 2015/16, government will work with the Development Bank of Southern Africa to further expand the scope for private lending to municipalities, including measures to improve liquidity in the municipal bond market and extend bond maturities. These measures include:

- Municipal infrastructure bonds
- Municipal bond underwriting by the Development Bank of Southern Africa
- Innovations in project finance (such as tax increment financing and special district areas).

Reviewing own-revenue sources for metropolitan municipalities

Government is reviewing metropolitan municipalities' own-revenue sources to assess whether they are adequate to meet service delivery and development mandates. A task team consisting of the National Treasury, the Department of Cooperative Governance, SALGA, the FFC, and metropolitan municipalities was established in 2014. The review seeks to answer the following questions:

- Are metropolitan municipalities' budgets complying with the principle of matching revenue sources with corresponding expenditure categories?
- To what extent are metropolitan municipalities maximising the full scope of existing own-revenue sources?
- Are existing sources of revenue buoyant, adequate and sustainable for metropolitan municipalities to execute their present expenditure responsibilities, and are they sustainable in the medium to long term?
- What are the challenges that prevent metropolitan municipalities from optimising their use of existing revenue sources?
- Is the sharing of the general fuel levy an appropriate long-term revenue source? Metropolitan municipalities have raised concerns that the long-term effects of sharing a revenue source based on fuel consumption is contrary to their mandate of encouraging the use of public transport.

Based on the review's outcomes, recommendations will be made to Budget Forum in October 2015 for reforms to the local government fiscal framework that better allow metropolitan municipalities to meet their mandate. Parallel to this process, the National Treasury is developing a local government fiscal decentralisation framework that will outline the different types of own-revenue sources applicable to different types of South African municipalities. These sources will be considered in line with existing legislation.

Municipal Property Rates Amendment Act

The Municipal Property Rates Act (2004), which is administered by the Department of Cooperative Governance, regulates the power of municipalities to impose rates on properties. The act was amended through the Municipal Property Rates Amendment Act (2014), which will come into effect on 1 July 2015. The amendment act improves transparency in the categorisation of property and the determination of rates for each property category, which strengthens oversight. The amendments provide for the property rates liability to be phased out over a five-year period on the following properties: national, provincial and other public roads; water or sewer pipes; railway lines; runways or aprons at national or provincial airports; and

breakwaters, sea walls, channels and basins. These exclusions are made because of the importance of these types of infrastructure in enabling economic growth and social change. The act also strengthens its regulatory, monitoring and reporting provisions, which in turn will improve its implementation and minimise legal ambiguities. The Department of Cooperative Governance will implement the regulatory framework that will give effect to the amendment act in due course.

ANNEXURE W2:
FRAMEWORKS FOR CONDITIONAL
GRANTS TO PROVINCES

Annexure W2: Frameworks for Conditional Grants to Provinces

Detailed frameworks on Schedule 4, Part A; Schedule 5, Part A; Schedule 6, Part A; and Schedule 7, Part A grants to provinces

Introduction

This annexure provides a brief description of the framework for the grants set out in Schedule 4, Part A; Schedule 5, Part A; Schedule 6, Part A; and Schedule 7, Part A of the 2015 Division of Revenue Bill. The following are key areas considered for each grant:

- Strategic goal and purpose of the grant
- Outcome statements and outputs of the grant
- Priority outcome(s) of government that the grant primarily contributes to
- Conditions of the grant (additional to what is required in the Bill)
- Criteria for allocation between provinces
- Rationale for funding through a conditional grant
- Past performance
- The projected life of the grant
- 2015 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provincial departments
- Process for approval of business plans for 2016/17

The attached frameworks are not part of the Division of Revenue Bill, but are published in order to provide more information on each grant to parliament, legislatures, municipal councils, officials in all three spheres of government and the public. Once the 2015 Division of Revenue Bill is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2015/16 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 Grant	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Forestry and Fisheries (Vote 24)
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 previously disadvantaged 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 restitution and redistribution, and other previously disadvantaged producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export • 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 • Improved household and national food security • Improved farming efficiency • Increased wealth creation, and sustainable employment in rural areas • Increased access to markets by beneficiaries of Comprehensive Agriculture Support Programme (CASP)
Outputs	<ul style="list-style-type: none"> • Farmer supported per category (subsistence, smallholder and black commercial farmers) • Youth, women and farmers with disabilities supported through CASP • On and off - farm infrastructure provided and repaired • Beneficiaries of CASP trained on farming methods • Beneficiaries of CASP accessing markets • Jobs created • Extension personnel recruited and maintained in the system • Extension officers upgrading qualifications at various institutions • Successful partnerships created to support farmers • Hectares of land ploughed and planted • Agriculture Information Management System (AIMS) implemented in all 9 provinces • Available common data for 9 provinces • Reliable and accurate agricultural information available for management decision making
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 4: Decent employment through inclusive growth • Outcome 5: A skilled and capable work force to support an inclusive growth path • Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • 70 per cent of CASP infrastructure grant funds must be allocated to food production initiatives (crop and livestock production) in support of the Fetsa Tlala programme; 10 per cent to AIMS; 10 per cent to training and capacity building of farmers, and 10 per cent to market development. The percentage splits exclude disaster funding • Provinces must adhere to the CASP Standard Operating Procedure (SOP) framework when implementing projects • Only business plans approved by established committees and authorities will receive funds from the CASP grant • All assisted farmers should be listed in the provincial and national farm registers • The provincial departments are to confirm human resources capacity to implement CASP business plan by 27 March 2015 • All receiving departments must abide by the Public Finance Management Act (PFMA), Treasury Regulations and the Division of Revenue Act when executing projects as well as for reporting purposes • Funds will be transferred as per the disbursement schedule approved by National Treasury • Provinces to inform the transferring officer (TO) of any changes from plans and allocations approved by the Minister of Agriculture, Forestry and Fisheries, within 7 days of such change, and such changes must be approved by the TO before they are implemented • The provincial business plans must be signed off by the Heads of Departments (HoDs) of the provincial agriculture department in collaboration with Chief Financial Officers (CFOs) or their representatives and the provincial treasury • Allocations for natural disasters must only 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). The allocations for 2015/16, for infrastructure damaged by floods are as follows: <ul style="list-style-type: none"> ○ Limpopo: R22.8 million ○ Mpumalanga: R11.0 million ○ Western Cape: R24.8 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) for approval • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DAFF

Comprehensive Agricultural Support Programme Grant	
Allocation criteria	<ul style="list-style-type: none"> The formula used to allocate funds is a weighted average of the following variables: CASP performance, land area, restituted and redistributed land delivered, households involved in agriculture (General Household Survey 2013 report), 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	2013/14 audited financial outcomes <ul style="list-style-type: none"> Allocated and transferred R1.6 billion to provinces, of which R1.6 billion (100 per cent) was spent by the end of the national financial year
	2013/14 service delivery performance <ul style="list-style-type: none"> 57 499 beneficiaries were supported from 934 implemented projects 9 932 jobs created 19 835 farmers trained in targeted training programmes A total of 135 extension officers were recruited nationally A total of 419 extension officers registered for qualification upgrading 11 agricultural colleges infrastructure upgrading ongoing 248 farmers benefited from repair of infrastructure damaged by flood disasters (129 smallholder and 119 commercial) A total of 155 kilometres of flood protection works (levees) were repaired and upgraded in the Northern Cape. These works protect approximately 15 000 ha of irrigated land
Projected life	<ul style="list-style-type: none"> Grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R1.7 billion, 2016/17: R1.7 billion, and 2017/18: R1.8 billion
Payment schedule	<ul style="list-style-type: none"> Four instalments: 24 April 2015, 21 August 2015, 23 October 2015, and 22 January 2016
Responsibilities of the transferring 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 2015/16 Set norms and standards for the implementation of the grant during Ministerial Technical Committee on Agriculture and Quarterly Review Meetings Provide the guidelines and criteria for the development and approval of business plans Monitor implementation through project site visits and provide support on a monthly and quarterly basis Submit monthly financial reports to National Treasury 20 days after the end of each month Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter Submit annual evaluation reports to National Treasury within four months after the end of the financial year
	Responsibilities of the provincial departments <ul style="list-style-type: none"> Provinces to report monthly (financial) 15 days after the end of each month, and quarterly (non-financial) 30 days after the end of each quarter on the progress of the programme Submit quarterly performance reports on disaster allocations to the Provincial Disaster Management Centres and DAFF, within 30 days after the end of each quarter Provinces to adhere to the approved CASP SOP framework Provinces to implement the approved CASP business plans Monitor project implementation and evaluate the impacts of projects in achieving the CASP goals
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> Provide provincial departments with business plan format guidelines, criteria and outputs as prescribed by National Treasury by 29 May 2015 Submission of provincial and individual CASP business plans by provinces on 30 September 2015 Engagement with provinces on submitted business plans during October 2015 prior to National Assessment Panel (NAP) Evaluation and recommendation of business plans by NAP between November 2015 and February 2016 Send funding agreements to provinces by February/March 2016 to be signed by HoDs, CFOs, and CASP coordinators Approval of business plans by the Minister of Agriculture, Forestry and Fisheries, before 31 March 2016 Inform provinces of approval of the business plans in March or April 2016 Approval by the TO regarding 2016 business planning process compliance during April 2016, and send to National Treasury by end of April 2016

Ilima/Letsema Grant	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Forestry and Fisheries (Vote 24)
Strategic goal	<ul style="list-style-type: none"> • To reduce poverty through increased food production initiatives
Grant purpose	<ul style="list-style-type: none"> • To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Outcome statements	<ul style="list-style-type: none"> • Increased production efficiency • Increased agricultural production at both household and national level • Improved farm income • Maximised job opportunities • Reduced poverty • Rehabilitated and expanded irrigation schemes
Outputs	<ul style="list-style-type: none"> • Hectares planted and ploughed • Tonnes produced within agricultural development corridors e.g. maize and beans • Beneficiaries/farmers supported by the grant per category • Hectares of rehabilitated and expanded irrigation schemes
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 4: Decent employment through inclusive growth • Outcome 5: A skilled and capable workforce to support an inclusive growth path • Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Outputs indicators • Inputs • Key activities • Monitoring and evaluation • Risks and mitigation strategies • Exit strategies (especially for projects in completion)
Conditions	<ul style="list-style-type: none"> • 100 per cent of Ilima/Letsema grant should be allocated to support food production (crop and livestock production) in support of the Fetsa Tlala initiative, this will also include infrastructure that unlocks production e.g. rehabilitation of irrigation schemes • Vulnerable households, subsistence, smallholder and black commercial farmers not qualifying for a loan should be supported by this grant • Provincial departments to confirm human resources capacity to implement Ilima/Letsema business plans on or before 27 March 2015 • All receiving departments must abide by the Public Finance Management Act (PFMA), Treasury Regulations and the Division of Revenue Act (DoRA) when executing projects as well as for reporting purposes • Provinces to inform the transferring officer (TO) of any changes from plans and allocations approved by the Minister of Agriculture, Forestry and Fisheries, within 7 days of such change and such changes must be approved by the TO before they are implemented • The provincial business plans must be signed off by the Head of Department (HoD) of the provincial agriculture department in collaboration with the Chief Financial Officer (CFO) or their representative
Allocation criteria	<ul style="list-style-type: none"> • The formula used to allocate funds is a weighted average of the Land Agrarian Reform Project (LARP) area available, households involved in agriculture (General Household Survey 2013), food insecure areas and national priority areas targeted for increased food production
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 Department of Agriculture, Forestry and Fisheries (DAFF) while provincial departments of agriculture are implementing agents
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R438 million, of which R438 million (100 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 16 948 jobs were created • 147 990 beneficiaries were supported by the programme • 90 964 households were supported with starter packs and production inputs • 146 800 hectares ploughed and 151 113 hectares of land planted • 800 metres of water pipeline replaced in Vaalhaarts irrigation scheme • 4270 Hectares (ha) in Makhathini irrigation scheme unlocked for agricultural production
Projected life	<ul style="list-style-type: none"> • Grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R471 million, 2016/17: R491 million, and 2017/18: R522 million

Ilima/Letsema Grant	
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 24 April 2015, 21 August 2015, 23 October 2015, and 22 January 2016
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree on outputs and targets with provincial departments in line with grant objectives for 2015/16 • Set norms and standards for the implementation of the grant during Ministerial Technical Committee (MinTech) on Agriculture and Quarterly Review Meetings • 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 monthly financial reports to National Treasury 20 days after the end of the month • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit annual performance reports to National Treasury within four months after the end of the financial year <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provinces to adhere to the conditions of this framework • Provinces to report monthly (financial) 15 days after the end of each month, and quarterly (non-financial) 30 days after the end of each quarter on the progress of the programme • Provinces to implement the Ilima/Letsema business plans as approved • All receiving departments must abide by the PFMA, Treasury Regulations and the DoRA when executing projects as well as for reporting purposes • Provinces to inform the TO of any changes from plans and allocations approved by the Minister for Agriculture, Forestry and Fisheries, within 7 days of such a change, and such changes must be approved by the TO before they are implemented • Monitor project implementation and evaluate the impacts of projects in achieving Ilima/Letsema goals
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Submission of provincial and individual Ilima/Letsema business plans by provinces on 30 September 2015 • Engagement with provinces on submitted business plans during October 2015 prior to National Assessment Panel (NAP) • Evaluation and recommendation of business plans by NAP between November 2015 and February 2016 • Send funding agreements to provinces by February/March 2016 to be signed by HoDs, CFOs, and Ilima/Letsema coordinators • Approval of business plans by the TO before 31 March 2016 • Inform provinces of approval of the business plans in March or April 2016 • Approval by the TO regarding 2016 business planning process compliance during April 2016, and send to National Treasury by end April 2016

Land Care Programme Grant: Poverty Relief and Infrastructure Development	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Forestry and Fisheries (Vote 24)
Strategic goal	<ul style="list-style-type: none"> • To optimise productivity and sustainability of natural resources leading to greater productivity, food security, job creation and better quality of life for all
Grant purpose	<ul style="list-style-type: none"> • To promote sustainable use and management of natural resources by engaging in community based 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
Outcome statements	<ul style="list-style-type: none"> • Improved veld carrying capacity and livestock productivity • Improved production potential of arable land leading to increased yield • Improved quantity and quality of South Africa's water resources by mitigating disaster risks for the sector • Improved youth participation in the agricultural sector and intergenerational transfer of skills • Improved custodianship and stewardship of natural resources through community based ownership • Improved livelihoods of rural communities within the ambit of the green economy • Improved partnerships with private, public and community sectors that are responsible for natural resources • Improved knowledge and skills base in the sustainable use and management of natural resources • Enhanced ecosystem services for current and future generations
Outputs	<ul style="list-style-type: none"> • Hectares of rangeland protected and rehabilitated • Hectares of land protected and rehabilitated • Number of Junior Care participants involved in the programme • Number of hectares of land where water resources are protected and rehabilitated • Number of capacity building initiatives conducted for Junior Care • Number of capacity building initiatives conducted for Land Carers • Number of awareness campaigns conducted and attended by Land Carers • Number of Land Care committees/Land Care groups established • Hectares of land where weeds and invader plants are under control • Number of kilometres of fence erected • Number of green jobs created expressed as Full Time Equivalents (FTEs)
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 4: Decent employment through inclusive growth • Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all • Outcome 10: Protect and enhance our environmental assets and natural resources
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Outputs indicators • Inputs • Cash flow projections and statement of work • Key activities/implementation plan • Monitoring and evaluation • Risk and mitigation • Exit strategy
Conditions	<ul style="list-style-type: none"> • Provinces must confirm capacity to implement projects and operational funding before funds can be transferred • Provincial departments' Annual Performance Plans for 2015/16 must clearly indicate measurable objectives and performance targets as per business plans approved by the Department of Agriculture, Forestry and Fisheries (DAFF) • The impact of the Land Care programme should also be quantified (before and after) in initiation, implementation and handing over phases of the projects • Provinces should report their financial performance per project on a monthly basis as per Division of Revenue Act (DoRA) deadlines • Provinces should on a monthly basis report on the number of jobs created in line with Expanded Public Works Programme (EPWP) reporting requirements. The report should, amongst other requirements, indicate the name, surname, identity number, gender, project name, wage and duration of employment • Projects should adhere to the reporting dates as stipulated in the 2015 DoRA, and furthermore adhere to the agreed dates as approved by the Natural Resource Management Working Group (NRMWG) and provide beneficiary evidence on work done
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on an index comprising of nodes, land capability, poverty, degradation and land size derived from the following sources: <ul style="list-style-type: none"> ○ nodes of the most deprived wards in Comprehensive Rural Development Programme ○ land capability = total hectares class I, II and III (spatial analysis - land capability data) ○ size = hectares (new boundaries from Municipal Demarcation Board) ○ poverty = poverty gap based on food poverty line (Statistics South Africa Living Conditions Survey 2008/09) ○ degradation = hectares (National Land Cover 2000)

Land Care Programme Grant: Poverty Relief and Infrastructure Development	
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
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> Allocated R109 million and transferred R103.7 million (95.1 per cent) to provinces, of which provinces spent R103 million (99.3 per cent) by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> 13 406 youth participated in the Junior Care management sub-programme 25 257 hectares of land on which alien invasive plants were eradicated 39 050 hectares of grazing area improved 10 hectares wetlands protected 42 water sources developed or protected against over-utilisation 33 gabion structures constructed 7 346 hectares of farm land improved through conservation measures in all nine provinces 8 244 beneficiaries have improved capacity and skill levels via capacity building initiatives 1 460 Full Time Equivalent jobs created through Land Care programme
Projected life	<ul style="list-style-type: none"> This grant will be reviewed when and if the need arises to align it with changes in the EPWP, outcome approach, national planning report and any policy development within government
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R66 million, 2016/17: R69 million, and 2017/18: R74 million
Payment schedule	<ul style="list-style-type: none"> 10 per cent: 24 April 2015, 35 per cent: 21 August 2015, 35 per cent: 23 October 2015, and 20 per cent: 22 January 2016
Responsibilities of the transferring and receiving officers	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Agree on outputs and targets with provincial departments in line with grant objectives for 2015/16 Review norms and standards for the implementation of the grant during the NRMWG meeting held quarterly Provide the guidelines and criteria for the development and approval of business plans Monitor implementation through project site visits and provide support to provinces Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter Submit evaluation reports to National Treasury within four months after the end of the financial year <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> Provincial departments to report monthly (financial) and quarterly (non-financial) on the progress of the projects as prescribed by DoRA. Provinces should further adhere to agreements approved by the NRMWG on performance reporting and any other matter related to natural resource management Provincial departments to report monthly jobs created as part of the EPWP. These reports should be submitted to the Department of Public Works (DPW) using the approved reporting system Provinces should further report jobs created to the DAFF using the prescribed DPW reporting template/format on or before the 15th of every month Provincial departments to implement the projects according to the approved business plans. Any deviation should first be communicated to DAFF in writing and approved by DAFF before implementation Provinces must hold Provincial Assessment Panels (PAPs) that are inclusive of relevant partners before submission of preliminary individual and provincial business plans to DAFF by 30 September 2015 Provincial departments should monitor project implementation and evaluate the impacts of projects in achieving Land Care goals Province to submit evaluation reports to DAFF two months after the end of the financial year
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> DAFF provides provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury and DAFF by June 2015 Submission of signed preliminary provincial and individual LandCare business plans by provinces on or by 30 September 2015 Engagement by DAFF with provinces on business plans submitted before PAP and prior to National Assessment Panel (NAP) Evaluation and recommendation of business plans by NAP before end of February 2016 Interactions with provinces on NAP comments and final submission of signed individual and provincial business plans by the provinces prior to approval by the transferring officer of DAFF Approval of business plans by the DAFF transferring officer before end of March 2016 Notify provinces of the approval of business plans before 31 March 2016 Send funding agreements to provinces by March 2016 to be signed by the Heads of Departments, Chief Financial Officers and Land Care Coordinators

ARTS AND CULTURE GRANT

Community Library Services Grant	
Transferring department	<ul style="list-style-type: none"> Arts and Culture (Vote 37)
Strategic goal	<ul style="list-style-type: none"> To enable South African society to gain access to knowledge and information that will improve their socio-economic status
Grant purpose	<ul style="list-style-type: none"> 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
Outcome statements	<ul style="list-style-type: none"> Improved coordination and collaboration between national, provincial and local government on library services Equitable access to transformed library and information services delivered to all rural and urban communities Improved library infrastructure and services that reflect the specific needs of the communities they serve Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs Improved culture of reading
Outputs	<ul style="list-style-type: none"> 400 000 items of library materials (books, periodicals, toys etc) purchased Library Information and Communication Technology (ICT) infrastructure and systems using open source software in all provinces Library material and services for the visually impaired at community libraries in five provinces (Eastern Cape, KwaZulu-Natal, Mpumalanga, North West and Western Cape) 20 new library structures completed 10 new library services established for dual-purpose libraries 50 upgraded and maintained library structures 1 400 existing contract library staff maintained in all provinces 50 new staff appointed for dual-purpose libraries 100 new staff appointed to assist with shifting of the function to provinces Capacity building programmes for public librarians
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 1: Quality basic education Outcome 14: A diverse, socially cohesive society with a common national identity
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> The provincial business plans must be developed in accordance with identified priority areas Grant funding must not be used to replace funding for items that provinces have previously allocated to community libraries Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant The details of how these funds will be used must be included in the respective business plans Funds added to the grant in the 2013 MTEF may only be used to support the function shift and to establish dual purpose facilities, provinces may use up to 80 per cent of their additional allocations in the 2015/16 financial year to address the Schedule 5 function shift imperative in category B municipalities, but this funding cannot replace funding for items that provinces have previously allocated to community libraries At least 20 per cent of the additional allocations must be used to establish dual purpose service points in collaboration with provincial Departments of Basic Education (DBE). The detail of how these funds will be used by provinces must be included in their respective business plans. The total additional allocations per provinces are as follows: <ul style="list-style-type: none"> ○ Eastern Cape: R58.4 million ○ Free State: R74.0 million ○ Gauteng: R79.9 million ○ KwaZulu-Natal: R71.5 million ○ Limpopo: R24.5 million ○ Mpumalanga: R56.0 million ○ Northern Cape: R60.7 million ○ North West: R49.7 million ○ Western Cape: R71.4 million Service level agreements (SLAs) determining reporting protocols must be signed with receiving municipalities within two months after the 2015 Division of Revenue Act (DoRA) takes effect The SLAs must include financial commitments over the MTEF in addition to the payment schedules to municipalities and reporting protocols which outline measurable performance targets for each municipality
Allocation criteria	<ul style="list-style-type: none"> The allocation criteria is based on an evaluation report for 2013/14 conducted by the Department of Arts and Culture (DAC) which identified community library needs and priorities

Community Library Services Grant	
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This funding is intended to address backlogs and disparities in the ongoing provision and maintenance of community library services across provinces, and enable the DAC to provide strategic guidance and alignment with national priorities
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> Allocated R597.7 million, R594.7 million (99.5 per cent of allocation) was transferred to provinces, of which R586.9 million (98.7 per cent) was spent by provinces by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> 55 libraries upgraded 16 libraries built 125 new staff appointed 55 bursaries maintained
Projected life	<ul style="list-style-type: none"> The projected life will be informed by evaluation reports and should become part of the provincial equitable share in 2018/19 if provinces have completed the function shift and completed a process that leads to the full funding of the service
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R1.3 billion, 2016/17: R1.4 billion, and 2017/18: R1.5 billion
Payment schedule	<ul style="list-style-type: none"> Four instalments (17 April 2015, 17 July 2015, 16 October 2015, and 29 January 2016)
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Finalise a framework for planning the allocation of library funding at the provincial level by 31 March 2016, that must prescribe minimum norms and standards for the provision of public libraries Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community library services Participate in at least one intergovernmental forum meeting per province between provinces and municipalities Identify challenges and risks and prepare mitigation strategies Monitor and evaluate implementation Evaluate annual performance of the grant for the previous financial year, for submission to National Treasury within 4 months after the end of the financial year Submit the monthly financial and quarterly reports to National Treasury Determine outputs and targets for 2016/17 with provincial departments <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> Provinces must establish intergovernmental forums with municipalities within their province that are funded through this grant, that meet at least three times a year to discuss issues related to the provision of community library services Provincial departments must establish capacity to monitor and evaluate SLAs with municipalities Submit evaluation reports to the DAC within two months after the end of the financial year Submit signed monthly financial reports including the quarterly expenditure reports of municipalities to the DAC Submit quarterly performance reports to the DAC within 30 days after the end of the quarter
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> To qualify for allocations from the grant in 2016/17 provinces must submit progress reports that detail a phased approach towards the full funding of the function, either by assignment to municipalities, or preparation of provinces to take over the function, or a combination of both. This must be done by the end of the 2015 MTEF Provinces must submit a draft progress report for comment to DAC by 3 August 2015. A final report must be submitted by 1 October 2015 Progress reports must detail at least the following: <ul style="list-style-type: none"> criteria that will be used to evaluate the capacity of municipalities to administer the function on behalf of the province a policy framework for funding municipalities that administer the service this framework must provide for funding the service over a six year time horizon Provinces to submit draft business plans to DAC by 30 September 2015. Business plans must be aligned to their strategies for full funding of the function DAC to evaluate provincial business plans and provide feedback to provinces by 13 November 2015 Provinces to submit final provincial business plans to DAC by 15 January 2016 DAC approves business plans and submits them to National Treasury by 31 March 2016

BASIC EDUCATION GRANTS

Education Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 14)
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 including district and circuit accommodation • To enhance capacity to deliver infrastructure in education • To address damage to infrastructure caused by natural disasters
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 sphere • Improved education infrastructure expenditure patterns • Improved response to the rehabilitation of school infrastructure affected by natural disasters • Improved rates of employment and skills development in the delivery of infrastructure
Outputs	<ul style="list-style-type: none"> • Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided • Number of existing schools' 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: Quality of basic education
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses a 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 a period of at least 10 years ○ maintenance plan ○ financial summary ○ organisational and support plan
Conditions	<ul style="list-style-type: none"> • Provinces may use a maximum of R32.9 million of this grant in 2015/16 for the appointment of public servants to their infrastructure units in line with the human resource capacitation circular published by National Treasury • The flow of the first instalment of the grant depends upon receipt by Department of Basic Education (DBE) and provincial treasuries of: <ul style="list-style-type: none"> ○ approved and signed-off tabled U-AMP with prioritised project lists for the 2015 Medium Term Expenditure Framework (MTEF) and a comprehensive maintenance plan by no later than 10 April 2015. The U-AMP must also include the implementation plans for schools affected by natural disasters • The flow of the second instalment depends upon receipt by DBE and provincial treasuries of the approved and signed-off: <ul style="list-style-type: none"> ○ monthly infrastructure reports for March 2015 in a format determined by the National Treasury and DBE ○ National Education Infrastructure Management System (NEIMS) assessment forms for the fourth quarter of the 2013/14 financial year no later than 17 April 2015 ○ submit a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the fourth quarter of the 2014/15 financial year no later than 15 April 2015 ○ submit quarterly performance reports on disaster allocations, to the Provincial Disaster Management Centre (PDMC) and DBE • The flow of the third instalment is dependent upon receipt by DBE, the relevant provincial treasuries and the National Treasury, on a date and in a format determined by National Treasury, of the approved and signed-off: <ul style="list-style-type: none"> ○ draft U-AMP for all infrastructure programmes for a period of at least 10 years (including the initial list of prioritised projects and a comprehensive maintenance plan). The 2015/16 project list must be drawn from the prioritised project list for the MTEF tabled in 2014/15 ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ NEIMS assessment forms for the first quarter of 2015/16 by 24 July 2015 ○ submit a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the first quarter of the 2015/16 financial year no later than 15 July 2015 ○ submission of quarterly performance reports on disaster allocations for the first quarter of 2015/16 to the PDMC and DBE • The flow of the fourth instalment is conditional upon receipt by the DBE and relevant provincial treasuries of the approved and signed off:

Education Infrastructure Grant	
	<ul style="list-style-type: none"> ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ NEIMS assessment forms for the second quarter of 2015/16 by 23 October 2015 ○ draft Infrastructure Programme Management Plan (IPMP) (including the construction procurement strategy) for infrastructure programmes envisaged to commence within the MTEF. These plans should also be submitted to National Treasury in a format and on a date determined by National Treasury in terms of the guideline ○ Submit a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the second quarter of the 2015/16 financial year not later than 15 October 2015 ○ submission of quarterly performance reports on disaster allocations for the second quarter of 2015/16 to the PDMC and DBE ● The flow of the fifth instalment is conditional upon receipt by the DBE and the relevant provincial treasuries, on a date determined by National Treasury, of the approved and signed-off: <ul style="list-style-type: none"> ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ NEIMS assessment forms for the third quarter of 2015/16 to DBE not later than 22 January 2016 ○ submission of the final IPMP and the construction procurement strategy for infrastructure programmes envisaged to commence within the MTEF period not later than 12 February 2016 ○ submit a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the third quarter of the 2015/16 financial year not later than 15 January 2016 ○ submission of quarterly performance reports on disaster allocations for the second quarter of 2015/16 to the PDMC and DBE ● Client departments must enter into service delivery agreements (SDAs) with their Implementing Agents (IAs). The development or review of the SDA should continue in parallel with the development of the IPMP and Infrastructure Programme Implementation Plan (IPIP) ● Provincial departments must establish committees with the relevant IAs and hold monthly meetings that are minuted to review progress on the IPMP and IPIP ● Provincial departments must consult with the relevant municipality on the development of their Integrated Development Plans to ensure integrated planning of basic services and school sporting facilities ● All immovable asset management and maintenance responsibilities as prescribed by the Government Immovable Asset Management Act of 2007 and the Infrastructure Delivery Management Toolkit must be adhered to ● Provincial Education Departments (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 section 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 ● Funds have been earmarked within this grant for the reconstruction and rehabilitation of infrastructure damaged by natural disasters. 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"> ○ Eastern Cape: R50.0 million ○ KwaZulu-Natal R24.0 million ○ Limpopo: R69.4 million ○ Mpumalanga R 9.5 million ○ North West: R51.4 million ○ Western Cape: R 4.9 million ● Business plans for the allocated disaster funds must be in line with the post disaster verification assessment reports 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 ● Of the 2015/16 grant funding, an amount of R820 million is earmarked for provision of Grade R in the provinces ● Compliance with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the Division of Revenue Act (DoRA) ● Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of this grant

Education Infrastructure Grant	
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2015/16 are based on historical allocations for the previous Education Infrastructure Grant for provinces
Reason 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 buildings
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • Transferred R6.9 billion to provinces (including R276.1 million in roll-overs), of which R6.8 billion (99 per cent) was spent by the end of the national financial year
	<p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 3 764 teaching spaces, 3 284 administrative spaces, 1 122 maintenance or upgrading projects, • 534 water, 786 sanitation, 141 electricity and 238 fencing infrastructure provided • 47 sports facilities were provided • The sector has provided a total of 98 new and replacement schools in respective provinces
Projected life	<ul style="list-style-type: none"> • Grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R9.5 billion, 2016/17: R9.8 billion, and 2017/18 R10.3 billion
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 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 issue guidelines on the capacitation process of infrastructure units as well as the conditions attached to the utilisation of the funding • DBE and National Treasury must jointly evaluate progress with capacitation of Provincial Infrastructure Units and provide feedback to all provinces in terms of the guidelines • DBE and National Treasury must jointly evaluate and provide feedback to all provinces on the assessment of U-AMPs/infrastructure plans • Submit quarterly performance reports on disaster allocations to NDMC and National Treasury within 45 days after the end of each quarter • DBE needs to assess the reports submitted by PEDs and provide feedback before transferring the instalment. Submit reports to National Treasury in terms of quarterly achievements by PEDs • Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the DoRA
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • PEDs must submit a signed off monthly provincial infrastructure report on infrastructure programmes within 15 days after the end of each month to the relevant provincial treasury and DBE • Submit quarterly performance reports on disaster allocations, to the PDMC and DBE • Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes in DoRA • PEDs must submit quarterly capacitation reports within 45 days after the end of each quarter
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • The process for approval for the 2016 MTEF allocation will be in line with the performance based incentive approach guidelines published by National Treasury

HIV and AIDS (Life Skills Education) Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 14)
Strategic goal	<ul style="list-style-type: none"> • To enhance awareness programmes offered by schools to prevent and mitigate the impact of human immunodeficiency virus (HIV) and tuberculosis (TB) • To increase knowledge, skills and confidence amongst learners and educators to take self-appropriate sexual and reproductive health decisions • To increase access to sexual and reproductive health services including HIV as well as TB services for learners and educators, with a specific focus on schools that are located in near peri-mining and coastal areas
Grant purpose	<ul style="list-style-type: none"> • 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 sexually transmitted infections (STIs), with a particular focus on orphaned and vulnerable children
Outcome statements	<ul style="list-style-type: none"> • Increased HIV, STI and TB knowledge and skills amongst learners, educators and officials • Decrease in higher risk sexual behaviour among learners, educators and officials • Decreased barriers to retention in schools, in particular for vulnerable learners
Outputs	<ul style="list-style-type: none"> • 1 150 master trainers trained in the integration of sexual and reproductive health (SRH) and TB programmes into the school curriculum. Specific focus will be on the prevention of learner pregnancy, reduction of the burden of the twin epidemics of HIV and TB • 19 250 educators trained to implement SRH and TB programmes for learners to be able to protect themselves from HIV and TB, and their associated key drivers including alcohol and drug use, leading to unsafe sex, learner pregnancy and HIV infection, prioritising schools located in peri-mining and coastal areas with a high burden of HIV and TB infections • 6 600 school management teams and governing bodies trained to develop policy implementation plans focusing on keeping mainly young girls in school, ensuring that SRH and TB education is implemented for all learners in schools, and ensuring access to SRH and TB services. A component of training will also address multiple sexual partners among boys • Co-curricular activities on SRH and TB implemented in schools including a focus on prevention of alcohol and drug use, learner pregnancy, targeting 248 400 learners. Priority will be in the 8 education collaboration framework districts as well as schools located near peri-mining and coastal areas • Care and support programmes implemented to reach 163 300 learners and 19 400 educators. Explore and expand the appointment of Learner Support Agents (LSAs) to support vulnerable learners, with a specific focus on keeping girls in school, using the care and support for teaching and learning framework • 500 000 copies of Curriculum and Assessment Policy Statement compliant material, including material for learners with barriers to learning, printed and distributed to schools • Advocacy and social mobilisation events hosted with 530 000 learners, educators and school communities to review and change societal norms and values on SRH and TB including a focus on key risk behaviours such as alcohol and drug use, learner pregnancy, inter-generational and transactional sex amongst girls and to advocate for the integrated school health programmes including HIV testing and improved understanding of the transformative nature of education
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 1: Quality basic education • Outcome 2: A long and healthy life for all South Africans
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • Provincial education departments (PEDs) must distribute the grant allocation in accordance with the following weights for the key performance areas: <ul style="list-style-type: none"> ○ training and development (15 per cent) ○ co-curricular activities (20 per cent) ○ care and support (20 per cent) ○ learning and teaching support material (15 per cent) ○ advocacy and social mobilisation (15 per cent) ○ monitoring and support (8 per cent) ○ management and administration (7 per cent) • PEDs must report on expenditure according to the above seven key performance areas per quarter • Instalments are dependent on the Department of Basic Education (DBE) receiving these reports, adherence to approved business plans and attendance at the biannual inter-provincial meetings • The above percentages are guidelines and may be deviated from in accordance with provincial needs with the approval of the transferring officer (TO). However, provinces must prioritise areas with high rates of HIV, TB and learner pregnancy • These deviations should be informed and motivated by achievements and/or critical challenges relating to the trends in the epidemic as relevant to respective provinces and PEDs

HIV and AIDS (Life Skills Education) Grant	
	<ul style="list-style-type: none"> • PEDs must ensure that they have the necessary capacity and skills to manage the implementation of the grant
Allocation criteria	<ul style="list-style-type: none"> • The education component of the equitable share formula, as explained in Annexure W1 of the 2015 Division of Revenue Bill, is used to allocate the grant amongst provinces
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • To enable the DBE to provide overall guidance, to ensure congruency, coherence and alignment with: <ul style="list-style-type: none"> ○ The National Strategic Plan for HIV and AIDS, STIs and TB (2012–2016) ○ DBE's Integrated Strategy on HIV, STIs and TB (2012–2016) ○ Draft National Policy on HIV, STIs and TB • This enables DBE to exercise an oversight role in the implementation of the HIV and AIDS Life Skills Education Programme in schools
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • From the total allocation of R232.6 million provinces spent R168.8 million (72.6 per cent) by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 1 276 master trainers, 18 755 life orientation educators and 9 229 educators trained in the integration of life skills in the curriculum • 68 771 functional peer education programmes undertaken, 79 415 learners enrolled on the learner retention programme, 43 423 learners enrolled in the substance use programme and 4 500 educators trained to mentor peer education in primary schools • 14 707 school based support teams established, 9 946 school management teams trained to develop policy implementation plans, and 125 765 vulnerable learners identified and referred for services • 519 613 sets of learning and teaching support material delivered to 23 129 schools and 54 317 first aid kits distributed to 8 500 schools • Advocacy reached 199 583 learners and educators as well as 229 415 members of the school communities and 9 620 schools reached through advocacy activities focusing on the prevention of TB • 12 310 schools reached through monitoring and support visits and 642 meetings held
Projected life	<ul style="list-style-type: none"> • The grant will be reviewed on an ongoing basis to respond to the nature and trends in the HIV and TB epidemics
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R221 million, 2016/17: R231 million, and 2017/18: R245 million
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 17 April 2015, 24 July 2015, 30 October 2015, and 29 January 2016
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Identify risks and challenges impacting on provincial implementation • Develop risk management strategies to address these risks • Ensure synergy with national strategies and processes aimed at reducing HIV and the related chronic illnesses such as TB infection in the country together with their risk factors such as alcohol and drug use • Agree on outputs and targets with PEDs in line with grant objectives and national imperatives for 2015/16 by 30 September 2015 • Provide evidence-based guidance for the development of business plans based on monitoring and findings from international and national research • Monitor implementation of the programme and provide support to provinces • Develop partnerships with key stakeholders • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Ensure synergy with national strategies and processes aimed at reducing HIV and TB infections and all other related issues including their risk factors such as alcohol and drug use • Identify risks and challenges impacting on implementation • Develop risk management strategies and implementation plans to address these risks • Submit monthly, quarterly and annual performance reports to the DBE in line with the Division of Revenue Act (DoRA) and Public Finance Management Act (PFMA) • Agree with the DBE on outputs and targets to ensure effective implementation of the programme • Monitor implementation of the programme and provide support to districts and schools • PEDs to implement the projects according to the approved business plans • Any deviation should first be communicated to the DBE in writing and approved by DBE before implementation • Evaluate and submit a provincial evaluation report on the performance of the conditional grant to the DBE by 29 May 2015
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Communication and meeting with provinces to inform targets for the next financial year by 13 October 2015 • PEDs submit draft business plans to DBE for evaluation by 27 November 2015 • DBE evaluates provincial business plans from 7 December 2015 • Comments sent to PEDs to amend the plans by 12 January 2016 • PEDs submit amended and signed plans to DBE by 26 February 2016 • DBE's transferring officer approves provincial business plans by 31 March 2016

Maths, Science and Technology Grant	
Transferring Department	<ul style="list-style-type: none"> • Basic Education (Vote 14)
Strategic Goal	<ul style="list-style-type: none"> • To strengthen the implementation of the National Development Plan (NDP) and the Action Plan 2019 by increasing the number of learners taking Mathematics, Sciences and Technology (MST) subjects, improving the success rates in these subjects and improving teachers' capabilities
Grant Purpose	<ul style="list-style-type: none"> • To provide support and resources to schools, teachers and learners for the improvement of MST teaching and learning at selected public schools • To improve the achievement of learner participation and success rates, teacher demand, supply, utilisation, development and support, school resourcing and partnerships, consistent with targets set in the Action Plan 2019 and the NDP
Outcome Statements	<ul style="list-style-type: none"> • Improved access, equity, efficiency and quality of MST education in the country • Effective and efficient structures established to manage, administer, monitor and evaluate the delivery of MST activities at all levels
Outputs	<p>School Support</p> <ul style="list-style-type: none"> • Information, Communication and Technology (ICT) resources: <ul style="list-style-type: none"> ○ number of schools supplied with computer hardware in accordance with the minimum specifications ○ number of schools supplied with subject related software in accordance with the minimum specifications ○ number of schools supplied with broadcasting equipment in accordance with the minimum specifications ○ number of schools supplied with internet connectivity infrastructure (Local Area Network and or Wide Area Network) in accordance with the minimum specifications • Workshop equipment, machinery and tools: <ul style="list-style-type: none"> ○ number of technical schools' workshops supplied with equipment, machinery, and tools for technology subjects in accordance with the minimum specifications ○ Number of schools and districts supplied with mathematics and science kits for each phase • Laboratories and workshop equipment, apparatus and consumables: <ul style="list-style-type: none"> ○ number of laboratories supplied with apparatus for mathematics and science subjects in accordance with the minimum specifications ○ number of laboratories supplied with Computer Application Technology (CAT) and ICT computer hardware, software and supporting accessories ○ number of laboratories and workshops supplied with consumables for MST subjects in accordance with the minimum specifications • Learner Support: <ul style="list-style-type: none"> ○ Number of learners registered for participation in MST olympiads/fairs/expos and other competitions • Teacher support: <ul style="list-style-type: none"> ○ specific training and orientation for teachers and subject advisors in subject content and teaching methodologies on Curriculum Assessment Policy Statement (CAPS) for Electrical, Civil and Mechanical Technology, Technical Mathematics, and Technical Sciences ○ targeted training in teaching methodologies and subject content for Mathematics, Physical, Life, Natural and Agricultural Sciences, Technology, Computer Applications Technology, Information Technology, Agricultural Management and Technology subjects ○ training and support in integrating ICT in the learning and teaching environment
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 1: Quality basic education
Details contained in the Business Plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Risk Management Plan • Annual budget and resource allocation • Procurement plan • Monitoring plan • Cash flow projections
Conditions	<p>Grant structure and allocation</p> <ul style="list-style-type: none"> • The grant is utilised on an interventional basis and therefore is not a general roll-out for all schools • Schools' needs and allocation of funds shall be identified through a criteria indicated in the framework in partnership with provinces and districts in the preceding financial period • Procurement through transversal tenders shall be prioritised to improve efficiency and service delivery • The implementation of the grant is on a phased-in or gradual approach to ensure that a substantial number of schools benefit. This gradual approach will be extended to fund the schools declared as focus schools once the norms and standards for focus schools have been promulgated • The grant will support a total of 1000 schools across all provinces, which are based on the previous allocation of the then Dinaledi and Technical Secondary Schools grants, plus an

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additional list of primary schools. The participating schools will be changed annually without changing the total number. The provincial funds allocation should be divided in accordance with the following guideline:

- 30 per cent for ICT resources
- 20 per cent for workshop equipment, machinery and tools
- 15 per cent for laboratories and workshop apparatus and consumables
- 10 per cent for learner support
- 10 per cent for technical schools CAPS teachers and subject advisors training and orientation
- 10 per cent for targeted teacher training in teaching methodologies and subject content
- 5 per cent for training and support in ICT integration for end-users
- The subjects' coverage for support through the grant in MST include:
 - Mathematics: (Grade 4-12), Technical Mathematics (Grade 10-12)
 - Sciences: Natural Sciences and Technology (Grade 4-6); Natural Sciences (Grade 7-9), Physical Sciences, Life Sciences and Agricultural Sciences, Technical Sciences (Grade 10-12);
 - Technology Subjects: Technology (Grade 7-9); CAT, ICT, Civil Technology, Electrical Technology, Mechanical Technology, Engineering Graphics and Design, Agricultural Technology, Agricultural Management (Grade 10-12)
- The provision of ICT resources such as computers, laptops (physical and/or mobile), subject specific software, broadcasting equipment and internet connectivity (Local or Wide Area Networking) as a platform for teaching and learning are a core driver for the grant
- The introduction of CAPS for Technical Schools shall be funded in terms of subject advisor orientation, teacher training and advocacy campaigns for field promotion during the 2015 Medium Term Expenditure Framework (MTEF)
- The MST directorate in partnership with the provincial MST curriculum General Education and Training (GET) and Further Education and Training (FET) directorates will be the Implementing Agents (IAs) for the grant, to ensure that efficiency and effectiveness is achieved
- The transferring and receiving departments must appoint or identify a qualified and experienced person/s to administer, manage and co-ordinate the activities of the grant in accordance with the provisions of the framework and compliance certificates

Business Planning Process:

- Provinces shall submit schools needs analysis to national Department of Basic Education (DBE) as per the timeframes set by the grant framework
- Three year provincial business plans for the grant shall be submitted to and be approved by DBE
- Detailed procurement plans shall accompany the business plans and these plans should be approved by the provincial department of education

Monitoring

- The national and provincial grant managers shall conduct monitoring at all levels on a monthly and quarterly basis or as and when required

Priorities

- Ensure that all outstanding projects for 2014/15 are completed and new schools are introduced for the next financial period
- Training of teachers and orientation of subject advisors for the preparation of the implementation of the CAPS for technical schools must be prioritised during the 2015 MTEF
- ICT resources shall be prioritised as the pillars for curriculum implementation for the 2015 MTEF
- Support for intermediate and senior phase activities in MST should be prioritised
- Teacher training shall be conducted for CAPS for technical schools until 2017/18

Outputs

- All computer hardware and software shall comply with the departmental specifications
- Computer software shall be subject specific and in line with CAPS specifications
- Broadcasting equipment includes Televisions, decoders, receiving dishes and associated accessories, Digital Versatile Disc (DVD) player and learning and teaching material DVD
- Internet connectivity: the grant shall not be responsible for the internet connectivity subscription fees
- Workshop equipment, machinery and tools shall be CAPS compliant and in line with minimum specifications supplied by DBE
- Adequate security measures should be in place at all facilities where ICT resources and broadcasting equipment are installed and stored
- Adequate security measures should be in place at all technology workshops where equipment is installed
- Adequate security measures should be in place at all laboratories where apparatus are installed and stored

Procurement matters:

- Transversal tenders will be developed and entered into with multiple suppliers and provinces will be invited to participate in such procurement contracts. In the event that a province does not have a similar tender/contract in place, such province will be compelled to participate in the transversal tender in order to advance the objectives of the grant
- The transversal tenders will cater for school support resources such as ICT, workshop equipment,

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	<p>machinery, tools, laboratories apparatus and consumables</p> <ul style="list-style-type: none"> • The grant funds and implementation (procurement, delivery and payment) are to be managed at provincial level unless a transversal tender has been issued or the school has demonstrated capacity, systems and controls to efficiently manage the processes of the grant • Before funds can be transferred to schools, there should be assurance that systems, controls and capacity to manage the implementation and delivery processes of the grant are in place
Allocation criteria	<ul style="list-style-type: none"> • Participating schools should be identified according to the following criteria: <ul style="list-style-type: none"> ○ all schools identified as needy, with Quintile 1-3 schools being prioritised ○ performance in MST subjects at the level below 60 per cent at grade 8-12 ○ primary schools will be supported as feeder schools to secondary schools participating in the grant based on the provincial needs analysis in line with the outputs of the grant ○ at least 30 learners are enrolled for each grade in MST subjects at GET and FET band and 15 learners are enrolled for Technology subjects in FET band ○ 50 per cent of all learners in the school must be enrolled for Mathematics ○ if there are outstanding projects from the Dinaledi or Technical Schools grant within the school, phasing out within a period of 12 months must be applied • The information to identify the participating schools will be sourced from the following: <ul style="list-style-type: none"> ○ schools needs analysis on MST gaps based on schools audit performed by provinces and or districts ○ diagnosis report for national school certificate to identify under-performing districts and schools in MST ○ diagnosis report for annual national assessments to identify under-performing schools in Mathematics within the foundation, intermediate and senior phases ○ Education Management Information Systems (EMIS) and National Education Infrastructure Management System (NEIMS) report to identify other schools needs especially resources such as laboratories, connectivity, workshop equipment, machinery and tools
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The grant is a targeted systematic capacity improvement programme. The number of schools requiring support is not proportionally distributed across the provinces. The level of support required by schools differs across provinces
Past performance	<ul style="list-style-type: none"> • New grant
Projected life	<ul style="list-style-type: none"> • Grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R347 million, 2016/17: R362 million, and 2017/18: R385 million
Payment schedule	<ul style="list-style-type: none"> • Paid in four instalments: 15 May 2015, 14 August 2015, 13 November 2015 and 3 February 2016
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Identify and analyse areas requiring support in MST • DBE to collate and distribute to provinces the list of areas requiring support in MST • Evaluate, approve and submit provincial business plans to National Treasury • Provide the administrative services for the grant (manage, coordinate, monitor and support programme implementation at all levels) • Provide human resource capacity at all relevant levels including the appointment or identification of a qualified and experienced person/s to administer, manage and co-ordinate the activities of the grant in accordance with the provisions of the framework and compliance certificates • Establish a grant management committee, this structure must include grant managers from the national and provincial sphere, MST curriculum specialists, finance and supply chain management representatives • Convene and attend quarterly grant management meetings • Attend all grant implementation meetings at provincial, district or school level • Develop and provide capacity building programmes for provincial implementation teams to assist them in implementing the grant • Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates including minimum specifications for school resources • Develop procurement specifications and enter into transversal tenders on behalf of the provinces and schools, in the case of funds transferred to schools • Form part of specific procurement processes related to the grant (bid specification and evaluation committees, site inspections and product demonstration) • Ensure compliance with reporting requirements by providing consolidated monthly reports 20 days after the end of the month, quarterly reports 45 days after the end of each quarter and annual evaluation reports 4 months after the end of the financial year, and other monitoring or diagnostic reports and reviews as and when required • Monitor implementation at provincial, district and school level on a quarterly basis or as and when required • Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury within four months after the end of the financial year • Establish and strengthen partnerships with relevant stakeholders in MST

Maths, Science and Technology Grant	
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> ● Identify and analyse areas requiring support in MST ● Provinces to submit targeted schools lists and their needs to DBE ● Develop and submit approved business and procurement plans to DBE ● Assist schools in collating information on their needs and in meeting the reporting requirements of the grant ● Provide all relevant data required by DBE such as, supplier records, memoranda of understanding between schools and departments etc. ● Ensure compliance with reporting requirements by providing consolidated monthly reports 15 days after the end of the month, and quarterly reports 30 days after the end of the quarter, including other monitoring or diagnostic reports and reviews as required from time to time ● Manage and implement the programme in line with the Division of Revenue Act (DoRA) and the Public Finance Management Act (PFMA) ● Transfer funds where necessary to schools in accordance with the provisions of the grant framework and in line with the requirements of the PFMA ● Participate in transversal tenders issued by DBE or other provinces in order to procure goods and services related to the outputs of the grant ● Monitor and provide support to districts/regions, circuits and schools on a monthly basis or as and when required ● Provide human resource capacity at all relevant levels including, the appointment or identification of a qualified and experienced person/s to administer, manage and co-ordinate the activities of the grant in accordance with the provisions of the framework and compliance certificates ● Establish grant implementation project teams where necessary and convene bi-monthly meetings of the teams ● Evaluate the performance of the grant and submit evaluation reports to DBE within two months after the end of the financial year ● Establish and strengthen partnerships with relevant stakeholders and report to DBE on the details of the partnerships ● Provincial Education Departments (PEDs) to implement the projects according to the approved business plans. Any deviation should first be communicated to DBE in writing and approved by DBE's transferring officer (TO) before implementation <p>Responsibilities of the schools</p> <ul style="list-style-type: none"> ● Submit schools needs on MST to the districts based on the performance of the school in all grades ● Submit annual operational plans to the PEDs ● Ensure that capacity, systems and controls are in place to implement the grant, to receive funds where a transfer to a school has been agreed upon ● Receive funds from PEDs and manage the procurement, delivery and payment processes where necessary ● Participate in relevant structures that have been put in place to support implementation of the grant ● Report to DBE and province on the implementation of the grant on a monthly and quarterly basis ● Monitor and ensure quality of work of the service provider/s and sign-off on the completeness of the service delivery processes
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> ● DBE to collate and distribute to provinces the list of areas requiring support in MST by 17 June 2015 ● PEDs to submit list of targeted schools and their needs to DBE on 14 September 2015 ● The first draft of the consolidated provincial business and procurement plans to be submitted to DBE for appraisal by 30 October 2015 ● DBE team will meet to evaluate the consolidated business and procurement plans by 16 November 2015 ● The comments on the business and procurement plans will be sent to PEDs for amendments by 14 December 2015 ● PEDs will be required to submit the provincially approved amended business and procurement plans to DBE by 29 January 2016 ● DBE will approve the final business and procurement plans by 07 March 2016 ● DBE's transferring officer approves business and procurement plans to be submitted to the National Treasury by 18 March 2016

National School Nutrition Programme Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 14)
Strategic goal	<ul style="list-style-type: none"> • To enhance learning capacity and improve access to education
Grant purpose	<ul style="list-style-type: none"> • To provide nutritious meals and deworming to targeted learners
Outcome statements	<ul style="list-style-type: none"> • Enhanced learning capacity and improved access to education
Outputs	<ul style="list-style-type: none"> • Number of learners served with nutritious meals
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 1: Quality basic education
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Risk Management Plan
Conditions	<ul style="list-style-type: none"> • Spending must be in line with national and provincial business plans • The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools: <ul style="list-style-type: none"> ○ school feeding (inclusive of cooking utensils): minimum of 96 per cent ○ administration: maximum of 3.5 per cent ○ deworming: minimum of 0.5 per cent • Minimum feeding requirements: <ul style="list-style-type: none"> ○ provide nutritious meals to all learners in quintile 1 to 3 primary and secondary schools (as per gazetted national quintiles) as well as identified special schools on all school days ○ provide meal costs per learner in primary schools as well as identified special schools at an average of R2.85 and at an average of R3.60 in secondary schools; this is inclusive of cooking fuel and honorarium. Meal costs per learner should not be less than the previous financial year's ○ far-flung farm and rural schools that are receiving funds directly should be allocated a higher meal cost to cover higher transport costs ○ pay an honorarium of a minimum of R960 per person per month, in line with a food handler to learner ratio of 1:200. A ratio of 1:120 is recommended for schools where learner enrolment is 250 or fewer ○ comply with recommended food specifications and approved menu consisting of meals containing a starch, protein and fresh vegetable/fruit ○ fresh fruit/vegetables should be served daily and vary between green, and yellow/red vegetables/fruits ○ a variety of protein-rich foods should be served per week in line with approved menu options. raw sugar beans should be packed separately from samp, not mixed in one packet ○ National School Nutrition Programme (NSNP) compliant soya mince should not be served more than twice a week ○ pilchards should be served at least once a week. High quality protein products can replace pilchards in areas where these are not socially acceptable ○ Ultra High Temperature (UHT) milk pasteurised fresh milk or maas should be served once a week. In areas where fresh milk/maas is unavailable, only whole powdered milk may be used. Milk should be approved in line with dairy standards set by Milk South Africa ○ provinces should promote sustainable food production and nutrition education • Provinces that are transferring funds for meals to schools (Eastern Cape, Free State, Limpopo, Northern Cape and North West) are required to reconcile expenditure by schools against budget transfers on a quarterly basis • The 6 May 2015 budget transfer (as per payment schedule) is for cooking facilities, equipment, and utensils for quintile 1 to 3 primary schools, as per equipment specifications provided by the Department of Basic Education (DBE) • Provincial business plans will be approved in line with the above minimum requirements and available resources. The following variations may be approved by the transferring officer (TO) based on achievements and/or critical challenges in each province: <ul style="list-style-type: none"> ○ feeding days reduced to a minimum of 190 days ○ feeding cost below the above stated minimum requirements, which provide meals with maximum nutritional value as per menu specifications ○ number of learners that exceed the gazetted quintiles ○ serving of processed vegetables or fruit in remote areas ○ quintile 1 to 3 schools that do not feed all learners (Gauteng and Western Cape). Letters from schools requesting a deviation from whole school feeding must be provided to the provincial office and kept on record
Allocation criteria	<ul style="list-style-type: none"> • The distribution formula is poverty-based in accordance with the poverty distribution table used in the National Norms and Standards for School Funding as gazetted by the Minister of Education on 17 October 2008
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The NSNP is a government programme for poverty alleviation, specifically initiated to uphold the rights of children to basic food and education • The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools

National School Nutrition Programme Grant	
Past performance	2013/14 audited financial outcomes <ul style="list-style-type: none"> Allocated and transferred R5.3 billion of which provinces spent R5.2 billion (98 per cent) by the end of the national financial year
	2013/14 service delivery performance <ul style="list-style-type: none"> The programme reached 21 552 schools and provided meals to 9.4 million learners nationwide A total of 445 workshops were conducted to enhance programme implementation. The workshops were on financial management, meal planning, nutrition education and basic horticulture
Projected life	<ul style="list-style-type: none"> It is envisaged that, given the levels of poverty in the country and the impact of various health conditions such as HIV and Aids, diabetes and debilitating chronic conditions, the need for such a grant will persist for at least another 10 years. The programme ensures learners from the poorest communities have decent opportunities to learn
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R5.7 billion, 2016/17: R6 billion, and 2017/18: R6.3 billion
Payment schedule	<ul style="list-style-type: none"> The payment schedule will be in line with respective provincial procurement models as follows: <ul style="list-style-type: none"> provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) receive five instalments: (9 April 2015, 6 May 2015, 24 June 2015, 15 September 2015, and 8 December 2015) provinces that procure from service providers on behalf of schools receive five instalments: (9 April 2015, 6 May 2015, 5 August 2015, 21 October 2015, and 27 January 2016)
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Develop and submit approved national business plans to National Treasury Evaluate, approve and submit provincial business plans to National Treasury Manage, monitor and support programme implementation in provinces Ensure compliance with reporting requirements and NSNP guidelines Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter Evaluate performance of the conditional grant and submit an evaluation report to National Treasury four months after the end of the financial year
	Responsibilities of the provincial departments <ul style="list-style-type: none"> Develop and submit approved business plans to DBE. The business plans should include databases reflecting distribution of volunteer food handlers and cooking fuel per school Monitor and provide support to districts/regions/area project officers and schools Manage and implement the programme in line with the Division of Revenue Act (DoRA) and the Public Finance Management Act (PFMA) Implement monitoring and evaluation plans Provide human resource capacity at all relevant levels Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE two months after the end of the financial year Submit quarterly financial and performance reports to DBE after the end of each quarter Provinces that are transferring funds to schools are required to reconcile expenditure by schools against budget transfers on a quarterly basis. Reports on actual expenditure should be submitted a month after the quarter being reported upon
	Responsibilities of the school districts <ul style="list-style-type: none"> Monitoring and supporting schools Submitting monthly and quarterly reports (narrative and expenditure reports to the provincial department, as well as reports on expenditure by schools, where applicable) Coordinate all NSNP activities in the district
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> Planning meeting by 31 July 2015 Consultation with district officials, provincial treasuries, provincial finance sections and National Treasury Provinces submit first draft business plans to DBE by 30 October 2015 Inter-provincial meeting held in October 2015 to consult provinces on the 2015/16 conditional grant framework DBE evaluates first draft business plans and sends comments to provinces by 27 November 2015 Provinces submit final business plans to DBE by 29 January 2016 TO approves national and provincial business plans by 1 April 2016

Occupational Specific Dispensation for Education Sector Therapists Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 14)
Strategic goal	<ul style="list-style-type: none"> • To ensure that qualifying education sector therapists, counsellors and psychologists covered by Education Labour Relations Council (ELRC) Collective Agreement 1 of 2012 are adequately compensated over two financial years
Grant purpose	<ul style="list-style-type: none"> • To augment the baseline compensation budget of the Provincial Education Departments (PEDs) to enable them to comply with ELRC Collective Agreement 1 of 2012
Outcome statements	<ul style="list-style-type: none"> • Meet the financial obligation to reach parity in terms of Compensation of Employees (CoE) for qualifying educators covered by ELRC Collective Agreement 1 of 2012
Outputs	<ul style="list-style-type: none"> • To ensure that provinces meet the final payment obligations in 2015/16 for educators covered by ELRC Collective Agreement 1 of 2012
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 1: Quality basic education
Details contained in the business plan	<ul style="list-style-type: none"> • Summary of the number of affected staff including, rank, notches and nature of appointment and date of appointment • A summary of baseline allocations per PED with budgeted items as part of the baseline budget or an indication of the shortfall between the baseline and the required amount to cover the obligation comply with ELRC Collective Agreement 1 of 2012
Conditions	<ul style="list-style-type: none"> • The 2015/16 allocation will be used for continued implementation of occupational specific dispensation for education sector therapists • DBE will provide a quarterly reporting template to provinces by no later than 27 February 2015 • No additional allocations will be made over and above what has been allocated • The allocated funds must be used to fund compensation for posts that existed at the time of the commencement of the ELRC Collective Agreement 1 of 2012 • In the event of termination of the affected employees or natural attrition, the relevant amounts will be withheld accordingly • A reconciliation of the utilisation of funds will be done quarterly and reflected in the quarterly performance reports
Allocation criteria	<ul style="list-style-type: none"> • The overall amounts have been calculated, based on the shortfall in each of the affected PEDs
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • The qualifying education therapists, counsellors and psychologists covered by ELRC Collective Agreement 1 of 2012 are not spread across provinces in line with the equitable share distribution • A conditional grant is thus necessary to ensure that provinces are compensated in line with the number of qualifying educators in each province in 2014/15 and 2015/16, and to establish a baseline for this aspect of compensation of employees in each province • Thereafter, provinces will make provision for the compensation of the qualifying education therapists, counsellors and psychologists covered by ELRC Collective Agreement 1 of 2012 from their equitable share allocations
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • New grant introduced in 2014/15 <p>2013/14 service delivery outcomes</p> <ul style="list-style-type: none"> • New grant introduced in 2014/15
Projected life	<ul style="list-style-type: none"> • The grant will end by 2015/16
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R67 million
Payment schedule	<ul style="list-style-type: none"> • The funds will be disbursed on a trimester basis as follows: 15 May 2015, 14 August 2015 and 15 January 2016
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Provide a quarterly reporting template to PEDs by no later than 30 January 2015 • Monitor the implementation and performance of the PEDs based on the Implementation Plan • Consolidate, approve and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Conduct monitoring and provide support to provinces • Submit close-out report by 15 June 2016 <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Develop and submit implementation plans to the DBE by 31 March 2015 • Manage and effect monthly payments to the eligible beneficiaries • Submit quarterly performance reports to the DBE within 30 days after the end of each quarter • PEDs to implement the projects according to the approved business plans. Any deviation should first be communicated to the DBE in writing, and approved by DBE's transferring officer before implementation can commence
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Not applicable

School Infrastructure Backlogs Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 14)
Strategic goal	<ul style="list-style-type: none"> • The eradication of inappropriate education structures and backlogs in basic services
Grant purpose	<ul style="list-style-type: none"> • Eradication of all inappropriate school infrastructure • Provision of water, sanitation and electricity to schools
Outcome statements	<ul style="list-style-type: none"> • Improved access to enabling learning and teaching environments • Build the capacity of provinces benefiting from an indirect grant (Schedule 6A) allocation to carry out this function themselves in future
Outputs	<ul style="list-style-type: none"> • Sub-programme 1: eradication and replacement of 496 inappropriate schools and provision of related school furniture • Sub-programme 2: 1 120 schools provided with water • Sub-programme 3: 741 schools provided with sanitation • Sub-programme 4: 916 schools provided with electricity
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 1: Quality basic education
Details contained in the infrastructure programme management plan	<ul style="list-style-type: none"> • This grant uses an Infrastructure Programme Management Plan (IPMP) that includes the following: <ul style="list-style-type: none"> ○ institutional framework ○ procurement and contract management plan ○ scope management ○ time management plan ○ cost management plan ○ risk management plan ○ quality management plan ○ monitoring and reporting details ○ budgeting and programme accounting details ○ performance management plan ○ communication management plan
Conditions	<ul style="list-style-type: none"> • This is a grant-in-kind administered by the national Department of Basic Education (DBE) that may be transferred to a province through the education infrastructure grant if the province is able to demonstrate, through a proven track record, that it has the capacity to implement the projects • DBE must submit an infrastructure programme implementation plan • Programme governance will be conducted by the following committees established to ensure that various processes are initiated within the programme: <ul style="list-style-type: none"> ○ national steering committee (NSC) ○ technical committee ○ project steering committee ○ infrastructure bid specification and evaluation committee ○ infrastructure bid adjudication committee • The provincial planning and monitoring teams (PPMTs) or equivalent in each province should meet monthly to: ensure information flows between the stakeholders; unblock processes; monitor progress; and enhance cooperation • DBE must submit monthly project reports with cash flow to National Treasury 15 days after the end of each month, that show how actual payments and cash flow reconcile with the projected cash flow schedule and explain any deviations from the original projected cash flow • Assets will be transferred to custodians in the respective provinces at final completion. Provincial education departments (PEDs) must report in their annual, describe how the schools have been considered in their future maintenance plans • The DBE must agree in writing with the provinces on projects that the DBE will administer on behalf of the province • The department and/or implementing agents (IAs) must ensure skills transfer takes place as part of the implementation of projects
Allocation criteria	<ul style="list-style-type: none"> • The grant allocation is based on the distribution of inappropriate structures and schools without access to water, sanitation and electricity across provinces • Final allocations will be based on the finalised IPMP of the DBE as approved by the Director-General
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant to eradicate the basic safety norms backlogs in schools without water, sanitation and electricity, and to replace those schools constructed from inappropriate material including mud schools to contribute towards improved learning and teaching. The grant will be administered by the DBE to achieve maximum impact in the shortest time possible
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R1.96 billion of which R1.4 billion (70 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 36 new schools built, 49 schools provided with water, 64 schools provided with sanitation, and 77 schools provided with electricity
Projected life	<ul style="list-style-type: none"> • Grant will come to an end when backlogs have been dealt with, projected to be by 2017/18
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R2 billion, 2016/17: R2.4 billion, and 2017/18: R2.6 billion

School Infrastructure Backlogs Grant	
Payment schedule	<ul style="list-style-type: none"> • Payments will be made according to professional service provider's verified invoices or advance payments in line with approved memoranda of agreement, implementation programme implementation plans and reviewed monthly cash flow projections from IAs
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Undertake planning of the processes, activities, and Accelerated School Infrastructure Delivery Initiative (ASIDI) programme policies required to realise the outputs and identify required resources • Undertake the necessary procurement to secure the services of IAs, professional service providers, contractors and secondary procurement objectives to respond to the scope of work identified in the IPMP • Monitor and evaluate performance of the programme support unit, IAs, conduct project site inspections at selected sites to verify progress and quality of the works to secure programme outputs and deliverables • Harness the opportunities offered through the programme to contribute towards skills development • The DBE must submit a draft Skills Transfer and Capacity Building Plan for Schedule 6A allocations to National Treasury by 1 July 2015; a final plan must be submitted to National Treasury by 1 September 2015. The Skills Transfer and Capacity Building Plan must set out how the capacity of benefiting provinces will be developed so that they can continue to perform the function after the Schedule 6A funded project ends. The plan must set measurable targets that will be achieved over the 2015 Medium Term Expenditure Framework (MTEF). The plan must set out how existing and new capacity building initiatives will be used to achieve these targets • The DBE must submit an annual assessment of progress against its Skills Transfer and Capacity Building Plan to National Treasury two months after the end of the national financial year • DBE will convene and chair meetings of the NSC which will: <ul style="list-style-type: none"> ○ provide strategic direction to the ASIDI programme ○ provide general oversight on the programme ○ ensure that the management of the programme brings together those players responsible for different elements of project success and ensure a holistic approach in support of the programme ○ ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to ○ facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee ○ establish the modalities linking the targeted PEDs with DBE ○ supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved ○ facilitate the linkages between national stakeholders such as the National Treasury (Infrastructure Delivery Improvement Plan), Construction Industry Development Board and the national departments of Human Settlements, Water and Sanitation, Energy and Public Works ○ ensure ASIDI strategies and targets are in line with national goals and targets ○ monitor progress in terms of national goals and targets ○ assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee ○ report to the Minister of Basic Education, Council for Education Ministers, Heads of Education Departments Committee (HEDCOM) and senior management • Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the Infrastructure Delivery Management Toolkit • The DBE will develop a procurement strategy for this grant that will lead to the quickest possible achievement of the grant objectives which may require the clustering of projects across provincial boundaries • Submit an approved IPMP including projects list to National Treasury • Ensure compliance with reporting requirements and adherence to projected cash flow schedules • Consolidate and submit quarterly reports to National Treasury and National Council of Provinces within 45 days after the end of each quarter • Conduct site visits to selected projects to assess performance • Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant • The DBE must ensure HEDCOM meets at least once a month and is provided with sufficient detailed reports to assess project implementation and projected cash flow schedules reconciled at the end of the month preceding the monthly meeting • Provide an operations and maintenance manual

School Infrastructure Backlogs Grant	
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> ● Provide the list of schools to be included in the ASIDI programme ● Ensure that the list of schools identified includes all the schools in their entirety that were not constructed of appropriate materials in their entirety ● Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity ● Ensure that; where schools are identified for rationalisation and mergers, DBE is made aware on time, in writing and that all necessary supporting documents are provided ● Establish PPMTs that will provide support to the DBE when implementing projects funded by this grant ● Convene the PPMTs and report to the NSC ● Generate a maintenance plan from the provided operations and maintenance manual
Process for approval of the 2016/17 infrastructure programme management plan	<ul style="list-style-type: none"> ● Submission to National Treasury by DBE of the IPMP for 2016/17 projects by 16 February 2016 ● The Skills Transfer and Capacity Building Plans for Schedule 6A allocations in 2015/16 must be based on consultation and an assessment of the capacity needs in each province. Plans must be submitted to National Treasury before the start of the financial year

COOPERATIVE GOVERNANCE GRANT

Provincial Disaster Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance and Traditional Affairs (Vote 4)
Strategic goal	<ul style="list-style-type: none"> To enable a timely response to immediate needs after a disaster has occurred
Grant purpose	<ul style="list-style-type: none"> To provide for the immediate release of funds for disaster response
Outcome statements	<ul style="list-style-type: none"> Immediate consequences of disasters are mitigated
Outputs	<ul style="list-style-type: none"> Emergency repair of critical infrastructure Emergency provision of goods and services
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 12: An efficient, effective and development-oriented public service
Details contained in the business plan	<ul style="list-style-type: none"> Applications for funding from this grant use the National Disaster Management Centre (NDMC) disaster grant guideline which includes the following: <ul style="list-style-type: none"> copy of the classification letter in terms of the Disaster Management Act copy of declaration of disaster in terms of the Disaster Management Act number of people affected and the extent of damages and losses sectors affected total funds required for disaster response resources (both financially and in-kind) allocated by the province to respond and mitigate the effects of the disaster resources (both financially and in-kind) committed by other role players, including municipalities, national departments and non-government organisations funding contribution request from the Municipal Disaster Grant costed project and implementation a plan over a six month period on how the funds will be spent An initial application for a funding contribution from the Provincial Disaster Grant may be based on the initial disaster assessment and verification (draft versions of the supporting documentation required above may be accepted for the initial application). The further final application/s must be based on the final disaster assessment and verification
Conditions	<ul style="list-style-type: none"> A copy of the classification letter and declaration of disaster in terms of the Disaster Management Act must be submitted to the NDMC This grant may only be used to fund the following expenditure as per written request for funding from the Provincial Disaster Management Centres (PDMCs): <ul style="list-style-type: none"> temporary structures and/or shelters that can be fully assembled within three months, which may be required to ensure continued basic services as a result of damage caused by a declared disaster to critical infrastructure that provinces are responsible for mobile classrooms or temporary structures during a declared disaster in the event that the Department of Basic Education is unable to provide these large scale humanitarian and other relief required that the national sector departments are not responsible for providing or are unable to provide. Proof must be obtained from the relevant department provision of temporary access roads and bridges The relevant provincial treasury must authorise expenditure on this grant through an adjustments budget if the expenditure occurs prior to the tabling of the province's adjustment budget or through a finance bill following the tabling of the annual report of the province for 2014/15 Funds from this grant may be utilised to reimburse a province for expenditure incurred which could not be accommodated within the province's own budget Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated according to declared disasters and reports from assessments conducted by NDMC, PDMC and affected sectors assessed for immediate disaster relief needs. Funding may however be released in tranches, with the first tranche based on an initial assessment and verification of the immediate disaster relief needs
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant caters for response, recovery, and relief from unforeseen and unavoidable disasters.
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> Of R188 million allocated, R180.5 million (96 per cent) was transferred by the end of the national financial year to the following sectors: <ul style="list-style-type: none"> R43.6 million North West Department of Agriculture and Rural Development R50.0 million to Northern Cape Department of Agriculture, Land Reform and Rural Development R26.9 million to Western Cape Department of Roads and Public Works R35.8 million to Mpumalanga Department of Roads and Transport R14.7 million to Mpumalanga Department of Agriculture, Rural Development and Administration R0.56 million to Limpopo Department of Human Settlements R9.0 million to Limpopo Department of Roads and Transport

Provincial Disaster Grant	
	<p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> ● Grants for immediate relief from disasters included transfers to: <ul style="list-style-type: none"> ○ North West Department of Agriculture and Rural Development for provision of fodder and water for drought stricken areas ○ Western Cape Department of Roads and Transport to repair the damaged road infrastructure within the areas of Eden district municipality ○ Northern Cape Department of Agriculture, Land Reform and Rural Development for provision of fodder and water for drought stricken areas in John Taolo Gaetsewe district municipality ○ Mpumalanga Department of Agriculture, Rural Development and Administration to repair the damaged water infrastructure within Nkomazi, uMjindi, Bushbuckridge and Mbombela municipalities ○ Mpumalanga Department of Roads and Transport to repair the damaged provincial roads and bridges within Nkomazi, Albert Luthuli, Pixley ka Seme, Msukaligwa, uMjindi and Bushbuckridge municipalities ○ Limpopo Department of Human Settlements to provide temporary structures in Thabo Mbeki Village in Lephalale local municipality ○ Limpopo Department of Roads and Transport to repair the damaged roads and bridges within the area of Modimolle, Thabazimbi, Bela-Bela and Lephalale municipalities
Projected life	<ul style="list-style-type: none"> ● This grant is expected to continue over the 2015 medium term, but will be subject to review
MTEF allocations	<ul style="list-style-type: none"> ● 2015/16: R103 million, 2016/17: R112 million and 2017/18: R123 million
Payment schedule	<ul style="list-style-type: none"> ● Transfers are made subject to approval by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the National Disaster Management Centre:</p> <ul style="list-style-type: none"> ● Advise PDMCs and relevant national sector departments on the existence of the grant and application process for grant funding ● Circulate an updated guideline on the items that qualify for funding through this grant by end June 2015. This guideline must be consistent with the disaster response funding request template agreed to with the National Treasury ● Establish procedures for funding items already purchased by provinces ● Conduct a preliminary cost verification and submit an initial request to the National Treasury within 14 days of receiving a written funding request or a submission from the PDMC ● Conduct full assessments of disaster impacts, within 35 days of receipt of a written funding request, to verify the final funding application. Assessments are done with affected provinces and should follow following requirements of Disaster Management Act ● Confirm support to be provided by national sector departments to ensure no duplication of support ● Seek approval from National Treasury for the final disbursement of funds to provincial sector departments within 35 days of receipt of the written final funding request and submission of the preliminary report from the PDMC ● Provide written advice on the timing of disbursements to the relevant PDMC and provincial treasury, and transfer these funds to provinces within five days of drawing the funds from the National Revenue Fund ● Notify the relevant PDMC and provincial treasury of a transfer at least one day before transfer. Funds must be transferred no later than five days after notification ● Build relationships and establish the necessary communication channels with relevant national and provincial departments to ensure the country has a coordinated approach to disaster response ● Provide National Treasury with written notification of the transfer within 14 days of a transfer of the grant ● Provide a performance report, within 45 days of the end of the quarter in which the funds were spent, to National Treasury using the disaster allocation monitoring template agreed to with the National Treasury
	<p>Responsibilities of Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> ● Advise provincial sector departments and municipalities on the existence of the grant, including funding application processes ● Together with the affected provincial departments, conduct initial assessments of disaster impacts to verify the applications for initial funding within 14 days following the occurrence of the incident ● Conduct assessments of disaster impacts together with NDMC and the affected provincial departments, to verify final applications for funding, within 35 days of the incident while adhering to the requirements of the Disaster Management Act ● Submit requests for disaster funding, monitor projects and provide reports to the NDMC, and Provincial Treasury ● Provide a performance report which includes evidence on progress implementation of the projects to the NDMC within 30 days of the end of the quarter in which funds are spent

Provincial Disaster Grant	
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> ● Cooperate with the NDMC, PDMC and sector departments to conduct damage assessment and cost verification ● Submit initial request for funding to the PDMC within 14 days following the declaration of a disaster ● Consult with the relevant national sector departments on funding request before submission to the PDMC ● Notify provincial treasury of all submitted requests for funding ● Initiate requests for disaster funding and monitor projects ● Ensure sectors follow emergency procurement processes when spending the grant fund ● Provide a performance report which includes evidence, and progress on implementation of the projects, to the NDMC within 30 days of the end of the quarter in which funds are spent
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> ● Not applicable

HEALTH GRANTS

Comprehensive HIV and AIDS Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> • The implementation of the National Strategic Plan (NSP) on HIV, sexually transmitted infections (STIs), and tuberculosis (TB) (2012-2016)
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to develop an effective response to HIV and AIDS and TB • To support the national Department of Health (DoH) with the President's Emergency Plan For AIDS Relief (PEPFAR) transition process
Outcome statements	<ul style="list-style-type: none"> • Improved coordination and collaboration in the implementation of comprehensive HIV and AIDS grant between national and provincial government • Improved quality of HIV and AIDS services including access to: <ul style="list-style-type: none"> ○ HIV counselling and testing (HCT) ○ Antiretroviral treatment (ART) ○ Adherence monitoring and support ○ Prevention of TB in HIV positive people ○ Prevention of mother-to-child-transmission (MTCT) ○ Medical male circumcision • Improved health workers' capacity at the three levels of care • Reduced HIV incidence and prevalence
Outputs	<ul style="list-style-type: none"> • Number of new patients that started on ART • Number of patients on ART remaining in care • Number of male condoms distributed • Number of female condoms distributed • Number of exposed infants at 6 weeks tested with polymerase chain reaction test • Number of clients tested for HIV (including antenatal) • Number of medical male circumcision performed
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"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • The following priority areas must be supported through the grant: <ul style="list-style-type: none"> ○ ART related interventions ○ Home and community-based care (HCBC) ○ Condom distribution and high transmission area interventions ○ Post exposure prophylaxis ○ Prevention of MTCT ○ Programme management strengthening ○ Regional training centres ○ HCT ○ Medical male circumcision ○ TB screening and prevention for HIV and AIDS patients
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on antenatal HIV prevalence, estimated share of AIDS cases, populations post-demarcation
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • HIV and AIDS is a key national priority and requires a coordinated response for the country as a whole and this is most effectively achieved through a conditional grant
Past performance	<p>2013/14 audited financial performance</p> <ul style="list-style-type: none"> • Allocated and transferred R10.5 billion to provinces of which R10.5 billion (99.8 per cent) was spent by provinces by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 6 820 lay counsellors trained and providing services at service points • 100 per cent of facilities provided HCT services • 8.4 million people received counselling and 98 per cent were tested for HIV, including pregnant women • 14.7 million beneficiaries had access to HCBC services • 3 638 health facilities offering ART services • 2.7 million patients were on ART • 1 078 high transmission intervention sites in operation • 98 per cent of infected new-born babies received Nevirapine • 99.9 per cent of PHC facilities offer prevention of MTCT services • 547 898 medical male circumcisions performed • 559.3 million male condoms distributed • 12.7 million female condoms distributed

Comprehensive HIV and AIDS Grant	
Projected life	<ul style="list-style-type: none"> • Ongoing in line with NSP on HIV and AIDS
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R13.7 billion, 2016/17: R15.5 billion and 2017/18: R17.4 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Visit provinces twice a year to monitor implementation and provide support • Monitor antiretroviral supplier payments by provinces • Meet with provinces to review grant performance (mid-year analysis) • Monitor transition progress of PEPFAR funded activities
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the DoH. Submit an electronic version to be followed by a hard copy signed by the receiving officer • Clearly indicate measurable objectives and performance targets as agreed with the DoH in provincial departmental business plans for 2015/16 and over the Medium Term Expenditure Framework (MTEF)
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Provincial health departments to sign and submit business plans to DoH by 29 February 2016 • DoH to sign and certify provincial business plans by 31 March 2016

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 development systems and quality assurance • To enhance capacity to deliver health infrastructure
Outcome statements	<ul style="list-style-type: none"> • Improved service delivery by provincial departments as a result of an enhanced and better 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 effective design of 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 for this grant will be replaced by the Infrastructure Programme Management Plan (IPMP) over the Medium Term Expenditure Framework (MTEF), the User-Asset Management Plan (U-AMP) for at least 10 years, project proposals, concept reports and Annual Implementation Plan (AIP), and will include the following: <ul style="list-style-type: none"> ○ projects funded in 2015/16, 2016/17 and 2017/18 ○ annual project milestones ○ quarterly cash flow projections per project for 2015/16
Conditions	<ul style="list-style-type: none"> • With the exception of funding for costs incurred on a business case and project brief development, all new or replacement hospitals, nursing colleges and nursing schools projects commencing construction in 2015/16 must have business cases and project execution plans (costed project master plans) approved before funds can be released for such projects • Provincial Departments of Health (PDoH) must submit 2015/16 AIPs signed-off by the Head of Department with the organisational structure of the infrastructure unit to the national Department of Health (DoH) for approval by 6 March 2015 • The 2015/16 MTEF project list as captured in the AIP for both current and capital should cover: <ul style="list-style-type: none"> ○ maintenance, rehabilitation, refurbishment, and repair of infrastructure ○ new, replacement, upgrades and additions of infrastructure • Provinces may utilise a portion of grant funding for the appointment of public servants to their infrastructure units in line with human resource capacitation circular published by National Treasury • In instances where the capacity of the Provincial Public Works Department is deemed insufficient, the PDoH will be entitled to engage alternative Implementing Agents (IAs), provided that Supply Chain Management processes as prescribed in the Treasury Regulations for appointment of service providers are followed • PDoH must enter into a service delivery agreements with their IAs • Appropriately qualified built environment representatives from the provincial departments' infrastructure units must assist in the procurement of professional service providers and contractors by its IA, through representation as a member on the specification and evaluation committees of the IA • Projects on planning must follow DoH peer review stages • Funds earmarked within this grant for the reconstruction and rehabilitation of infrastructure damaged during natural disasters is as follows: <ul style="list-style-type: none"> ○ Eastern Cape: R1.5 million ○ Gauteng: R0.1 million ○ KwaZulu-Natal: R0.2 million ○ Limpopo: R6.9 million ○ Mpumalanga: R1.8 million ○ North West: R7.1 million • Completion of new infrastructure projects require that maintenance and operation plans be submitted to PDoH by the IA
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2015/16 are project based
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 and ensure consistency with national norms, standards and guidelines for health facilities
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the total allocation of R5.3 billion, provinces spent R4.7 billion (87.9 per cent) by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 587 health facilities planned including designs • 845 facilities on different stages of construction • 406 on retention • 352 maintained facilities

Health Facility Revitalisation Grant	
Projected life	<ul style="list-style-type: none"> Health is a key government priority and given the need to continually maintain health infrastructure to ensure that norms and standards are maintained, the grant will remain in place until at least the end of the 2017/18 MTEF
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R5.3 billion, 2016/17: R5.5 billion, and 2017/18: R5.8 billion
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 officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Coordinate and facilitate site visits Attend quarterly provincial infrastructure progress review meetings Provide guidance to provinces on planning, prioritisation and evaluating of U-AMP, IPMP, AIP, project proposals and concept reports that provinces develop and submit Peer review and feedback processes should be undertaken timeously Issue guidelines on the capacitation process of infrastructure units, as well as the conditions attached to the utilisation of funds DoH and National Treasury must jointly evaluate progress with capacitation of provincial infrastructure units and provide feedback to all provinces
	<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 AIP Provinces must submit to DoH monthly and quarterly reports for all projects funded in the 2015/16 financial year in this grant through the PMIS and IRM PDoH must align infrastructure plans (U-AMP and IPMP) with their respective Strategic Plans and Annual Performance Plans
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> The process for approval for the 2016 MTEF will be in line with the performance based incentive approach guidelines published by National Treasury Submission of AIP for 2016/17 by PDoH to DoH by 7 March 2016

Health Professions Training and Development Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> • To contribute to the implementation of the national human resource plan for health through the clinical teaching and training of health professionals in designated public health facilities in South Africa
Grant purpose	<ul style="list-style-type: none"> • Support provinces to fund service costs associated with training of health science trainees on the public service platform
Outcome statements	<ul style="list-style-type: none"> • Progressive realisation of the national human resource plan for health • Clinical teaching and training capacity established in designated developmental provinces (Northern Cape, North West, Limpopo, Mpumalanga and Eastern Cape)
Outputs	<ul style="list-style-type: none"> • Number of undergraduate health science trainees on the health service platform • Number of registrars and other post graduate health science trainees • Other health science trainees supervised on the public health service platforms per statutory requirements • Number of clinical teaching and training personnel in designated developmental provinces
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"> • Outcome indicators • Output indicators • Inputs • Key activities, including the following: <ul style="list-style-type: none"> ○ monitoring and reporting ○ funding ○ progress on performance
Conditions	<ul style="list-style-type: none"> • Completion of a business plan in the prescribed format signed by the provincial Head of Department (HoD) or receiving officer by 27 February 2015, and the national Department of Health (DoH) transferring officer (TO) by 25 March 2015 • Service platform and accessing thereof for training needs to be developed after consultation with the appropriate institutes for higher education
Allocation criteria	<ul style="list-style-type: none"> • Based on historical allocations and spending patterns
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Provinces give effect to the national human resource strategy by training health science trainees on the public health service platform • National coordination needed for health science trainees and health trainee student programmes • The number and type of students in different provinces does not necessarily align with the proportions of the provincial equitable share
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R2.2 billion to provinces of which R2.2 billion (100 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • Provincial achievements in training and development by discipline: <ul style="list-style-type: none"> ○ 26 787 medical students and professional nursing students ○ 2 952 registrars ○ 2 208 specialists ○ 69 registrars/specialists involved in outreach services
Projected life	<ul style="list-style-type: none"> • The grant will remain as long as health science trainees are trained on the public service health platform
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R2.4 billion, 2016/17: R2.5 billion, and 2017/18: R2.6 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments as per approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Provide the guidelines, criteria and norms for the development, distribution and utilisation of the grant • To convene at least one annual meeting of national, provincial and facility programme managers • Monitor expenditure and number of students trained • Conduct a minimum of two site visits to provinces • Establish a national governance structure with the national Department of Higher Education and Training <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Business plans must be submitted in the approved format by 27 February 2015 • Provinces to monitor the following categories of trainees on the public health service delivery platform by category, province and training institution: <ul style="list-style-type: none"> ○ undergraduate health science trainees ○ post graduate health science trainees ○ other health science trainees supervised on the public health service platform
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Completion of business plans, in the prescribed format, signed by each receiving officer/HoD by 29 February 2016, and the TO by 25 March 2016

National Tertiary Services 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, modernise, rationalise and transform the tertiary hospital service delivery platform
Grant purpose	<ul style="list-style-type: none"> • Ensure provision of tertiary health services for all South African citizens • To compensate tertiary facilities for the additional costs associated with provision of these services
Outcome statements	<ul style="list-style-type: none"> • Modernised and transformed tertiary services that allows for improved access and equity to address the burden of disease
Outputs	<ul style="list-style-type: none"> • Provision of designated central and national tertiary services in 33 hospitals/complexes as agreed to between the province and the national Department of Health (DoH)
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 service level agreement	<ul style="list-style-type: none"> • This grant uses service level agreements (SLAs) which are signed by each province and contains the following: <ul style="list-style-type: none"> ○ national guidelines on definitions of tertiary services that may be funded by the grant ○ final tertiary services specifications funded by the grant, by facility in each province ○ annual targets for inpatient separations, inpatient days, day patient separations, outpatient first visits, outpatient follow up visits per province per year ○ monitoring and reporting responsibilities ○ validation and revision of data ○ deviations or changes to tertiary services ○ referral responsibilities ○ final business plan
Conditions	<ul style="list-style-type: none"> • Completion of a national SLA in the prescribed format, signed by the provincial Head of Department or receiving officer by 27 February 2015, and the transferring officer (TO) by 25 March 2015 • Completion of a provincial SLA signed by the receiving officer and the benefitting institution by 31 March 2015, and submission to DoH by 30 April 2015 • The grant allocation to each central/provincial tertiary facility must not exceed a maximum of 75 per cent of the total facility budget • Modernisation of tertiary services to be a minimum of 10 per cent of the total provincial allocation (where applicable) • Provinces must gazette allocations to individual facilities/complexes as per the SLA and be facility specific, by 30 April 2015 • Provinces must maintain a separate budget for each of the 33 benefitting facilities • Each benefitting facility/complex's budget letter which includes the equitable share allocation, must be supplied by the receiving officer to the TO by 30 April 2015
Allocation criteria	<ul style="list-style-type: none"> • Based on historical allocations and spending patterns
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • There are significant cross boundary flows associated with tertiary services that are not affected by provincial boundaries due to their specialised nature
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R9.6 billion to provinces, of which R9.6 billion (100 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • Provincial tertiary services performance was measured against the SLAs and the total patient activity rendered is as follows: <ul style="list-style-type: none"> ○ 659 104 inpatient separations ○ 3 803 691 inpatient days ○ 276 761 day patient separations ○ 1 088 014 outpatient first visits ○ 3 074 120 outpatient follow up visits
Projected life	<ul style="list-style-type: none"> • Support for tertiary services will continue because of the need to sustain and modernise tertiary services
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R10.4 billion, 2016/17: R10.8 billion and 2017/18: R11.5 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments as per payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • To convene at least one annual meeting of national, provincial and facility programme managers • Monitor expenditure and patient activity and provide on-site support to facilities/complexes and provinces • Conduct a minimum of two site visits to provinces and a minimum of one site visit to facilities/complexes, with the first site visit to provinces to include facilities • Establish a national strategic forum to discuss strategic matters related to this grant

National Tertiary Services Grant	
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Conduct a minimum of one site visit to each benefitting facility/complex per quarter and submit minutes/reports of these meetings to DoH at the end of each quarter • Submission of draft business plans (provincial and per facility/complex) by 30 November 2015 • Submission of updated specialist details funded by this grant at facility level by 30 September 2015 and 31 March 2016 • Submission of draft service specifications funded at each facility by 30 November 2015 • Report quarterly on the approved expenditure areas, as follows: <ul style="list-style-type: none"> ○ cost of compensation of employees by group of staff category (medical, nursing, allied and other) ○ cost of goods and services ○ cost of capital (including modernisation of tertiary services where applicable) ○ cost of households (where applicable) • Provide patient utilisation data (inpatient separations, inpatient days, day case separations, outpatient first visits, outpatient follow up visits and patient-day equivalents) as per the prescribed format
Process for approval of 2016/17 service level agreements	<ul style="list-style-type: none"> • Submission of draft business plans (provincial and facility) by 30 November 2015. Completion of SLA, in the prescribed format, signed by each receiving officer by 29 February 2016 and submitted to the TO by 25 March 2016

National Health Insurance Grant	
Transferring department	<ul style="list-style-type: none"> Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> Improve the performance of the District Health System (DHS) through testing service delivery and providing innovations in readiness for the implementation of the National Health Insurance (NHI)
Grant purpose	<ul style="list-style-type: none"> Test innovations in health services delivery and provision for implementing NHI, allowing each district to interpret and design innovations relevant to its specific context, in line with the vision for realising universal health coverage for all To undertake health system strengthening activities in identified focus areas To assess the effectiveness of interventions/activities undertaken in the districts funded through this grant
Outcome statements	<ul style="list-style-type: none"> Strengthened district capacity for monitoring and evaluation in selected districts Strengthened coordination and integration of selected municipal ward-based outreach teams within pilot districts Strengthened processes and Supply Chain Management (SCM) systems at the district level
Outputs	<ul style="list-style-type: none"> Selected municipal ward-based outreach teams are equipped and able to collect relevant data from households Impact assessment, through monitoring and evaluation, of the effectiveness of selected municipal ward-based outreach teams Streamlined SCM process in pilot districts Compliance with targets in operational plans
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"> Outcome indicators Output indicators Key activities Monitoring and evaluation plan Cash flow requirements
Conditions	<ul style="list-style-type: none"> For the purpose of district interventions, funding from this grant to provinces will be made available after the national Department of Health (DoH) approves the business plans for each of the selected pilot districts The ten pilot districts selected for 2015/16 are: <ul style="list-style-type: none"> OR Tambo (Eastern Cape) Thabo Mofutsanyana (Free State) City of Tshwane (Gauteng) uMzinyathi (KwaZulu-Natal) uMgungundlovu (KwaZulu-Natal) Vhembe (Limpopo) Gert Sibande (Mpumalanga) Pixley ka Seme (Northern Cape) Dr Kenneth Kaunda (North West) Eden (Western Cape) Selected districts must comply with the stipulated provisions relating to monitoring and evaluation of progress on agreed performance indicators as outlined in approved business plans Selected districts must allocate funding towards monitoring, evaluation and grant administration activities, and this may not exceed 3 per cent of the total grant allocation Municipal ward-based outreach teams must be established in line with national guidelines and health policy priorities The grant cannot be used to acquire additional human resources capacity
Allocation criteria	<ul style="list-style-type: none"> Each district is allocated the same amount
Reason not incorporated in equitable share	<ul style="list-style-type: none"> The implementation of NHI will be undertaken through a phased approach over a 14 year period. A conditional grant enables effective roll out of the NHI pilots and allows DoH direct oversight over the pilot sites and the activities thereof
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> Allocated and transferred R49 million to provinces of which R49 million (100 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> Strengthened performance of the district health system in readiness for the phased implementation of NHI
Projected life	<ul style="list-style-type: none"> Subject to policy developments to be finalised as part of the implementation of NHI
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R72 million, 2016/17: R75 million, and 2017/18: R80 million
Payment schedule	<ul style="list-style-type: none"> Monthly instalments as per approved payment schedule

National Health Insurance Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Given the formation of the new NHI grant and amended allocations, DoH in consultation with the provinces, will ensure that the approved business plans compliment the activities, focus areas, targets and outcomes outlined in the indirect allocation grant framework • Determine the interventions that will be implemented in each of the selected pilot districts • Monitor and evaluate implementation of pilot projects, including visits to provinces and selected districts • Commission independent external expert evaluation of the progress and effectiveness of interventions tested in the pilot districts and submit final report to National Treasury • Facilitate a partnership with the provinces in the selection of the pilot district, and monitoring and evaluation of interventions in order to ensure their experiences inform further NHI design work • Include in the annual performance evaluation of the grant the lessons learnt, including challenges experienced and how these lessons will inform the design of future interventions <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Submit quarterly performance reports to DoH as prescribed in the Division of Revenue Act • Report, on a quarterly basis, the achievements of selected pilot districts against the output and targets stipulated in the approved business plans using the prescribed format. The report must be submitted to DoH within 30 days after the end of each quarter • Submit detailed operational plans to the DoH within 30 days after the start of the financial year
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Provinces to submit first draft business plans for selected pilot sites by 27 November 2015 • Provinces to submit final business plans for selected pilot sites by 26 February 2016

National Health Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> • This grant has three components which are specific to their respective strategic goals: (1) National Health Insurance (NHI); (2) Health Facility Revitalisation; and (3) Human Papillomavirus (HPV) vaccination • To accelerate health sector improvement by strengthening the role of the national Department of Health (DoH) in accelerating delivery of infrastructure particularly in order to assist provinces with weaker capacity and performance in the preparatory phase of NHI • To reduce the incidence of cancer of the cervix through the introduction of the HPV vaccination to grade 4 school girls
Grant purpose	<ul style="list-style-type: none"> • 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 NHI pilots and infrastructure projects • To fund the introduction of the HPV vaccination programme in schools
Outcome statements	<ul style="list-style-type: none"> • As specified in the three component frameworks • Build the capacity of provinces, benefitting from an indirect grant (Schedule 6A) allocation to carry out these functions themselves in future
Outputs	<ul style="list-style-type: none"> • As specified in the three component frameworks
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"> • As specified in the three component frameworks
Conditions	<ul style="list-style-type: none"> • As specified in the three component frameworks • The department and/or implementing agents must ensure skills transfer takes place as part of the implementation of projects
Allocation criteria	<ul style="list-style-type: none"> • As specified in the three component frameworks
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • The provinces have not demonstrated capacity to deliver on these three components • As specified in the three component frameworks
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> • As specified in the three component frameworks <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • As specified in the three component frameworks
Projected life	<ul style="list-style-type: none"> • It is likely this will be a temporary grant, with the following three components: <ul style="list-style-type: none"> ○ the NHI component which will ultimately be phased into the NHI fund once established ○ the Health Facility Revitalisation component which will be progressively phased back to the provinces as provincial capacity improves ○ the HPV vaccination component which will run for two years
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R1.4 billion, and 2016/17: R1.2 billion and 2017/18: R1.3 billion of which the three components are: <ul style="list-style-type: none"> ○ NHI: 2015/16: R298 million, 2016/17: R268 million and 2017/18: R318 million ○ Health Facility Revitalisation: 2015/16: R913 million, 2016/17: R953 million and 2017/18: R1 billion ○ HPV vaccination: 2015/16: R200 million
Payment schedule	<ul style="list-style-type: none"> • As specified in the three component frameworks
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • As specified in the three component frameworks • The department must submit a draft Skills Transfer and Capacity Building Plan for Schedule 6A allocations to National Treasury by 1 July 2015. A final plan must be submitted to National Treasury by 1 September 2015. The Skills Transfer and Capacity Building Plan must set out how the capacity of benefiting provinces will be developed so that they can continue to perform the function after the Schedule 6A funded project ends. The plan must set measurable targets that will be achieved over the 2015 MTEF. The plan must set out how existing and new capacity building initiatives will be used to achieve these targets • The department must submit an annual assessment of progress against its Skills Transfer and Capacity Building Plan to National Treasury two months after the end of the national financial year <p>Responsibilities of the provincial department</p> <ul style="list-style-type: none"> • As specified in the three component frameworks
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • As specified in the three component frameworks • Skills Transfer and Capacity Building Plans for Schedule 6A must be based on consultations and an assessment of the capacity needs in each province/municipality. Plans must be submitted to National Treasury before the start of the financial year

National Health Grant: National Health Insurance Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> • To strengthen the public healthcare system in preparation for National Health Insurance (NHI) • To strengthen the design of NHI through the innovative testing of new reforms • To assess the service delivery implications of the proposed NHI reforms
Grant purpose	<ul style="list-style-type: none"> • Assessment of the implications of the NHI reforms on the public sector services • To develop and implement innovative models for purchasing services from health practitioners in the ten NHI pilot districts • To develop and implement innovative models for the dispensing and distribution of chronic medication in the ten NHI pilot districts
Outcome statements	<ul style="list-style-type: none"> • Appropriate and innovative models for purchasing services from health practitioners identified and tested • Implement an alternative distribution model for chronic medication
Outputs	<ul style="list-style-type: none"> • Innovative models for the purchasing of health care services, including: <ul style="list-style-type: none"> ○ contracting of health practitioners as defined by need through external service provider organisations ○ establishment of fully constituted and functional District Clinical Specialist Teams linked to the achievement of the Millennium Development Goals (MDGs) ○ Strengthening of school health services linked to addressing the learning challenges of learners in identified schools • An alternative chronic care dispensing and distribution model implemented
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"> • Service level agreements (SLAs) will include information on the following: <ul style="list-style-type: none"> ○ outcome indicators ○ output indicators ○ key activities and resource schedule ○ monitoring and evaluation plan ○ cash flow requirements for 2015/16
Conditions	<ul style="list-style-type: none"> • The national Department of Health (DoH) will establish and chair all meetings of the National Technical Task Team (NTTT) on contracting of health practitioners through implementing innovative models for the purchasing of health care services • DoH must develop and submit, by 30 July 2015, a framework outlining how the grant will operate its systems and rules and responsibilities and functions • Project level administrative expenditure may not exceed 3 per cent of the total grant funding. No activity that is linked to the responsibility of DoH but falls outside this scope may be funded through this grant • The grant must be used to achieve the objectives of the following areas: <ul style="list-style-type: none"> ○ development and testing of innovative models for purchasing health care services from health practitioners ○ an alternative chronic care medication dispensing and distribution model • The DoH must put in place an evaluation strategy using independent external experts to evaluate the interventions funded through this grant by 30 June 2015
Allocation criteria	<ul style="list-style-type: none"> • Health facilities with the greatest need for health practitioners and where health practitioners are willing to work in the facility will be prioritized • The alternative chronic care medication dispensing and distribution model will be implemented across the country in the ten NHI pilot districts, with priority given to previously disadvantaged areas
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • The importance of central coordination in development of models and the establishment of NHI to inform ongoing NHI designs
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • R291 million was allocated of which R9.5 million (3 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 119 general practitioners contracted to render services in Primary Health Care clinics located in the NHI pilot districts
Projected life	<ul style="list-style-type: none"> • Subject to policy developments that will be finalised as part of the implementation of NHI
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R298 million, 2016/17: R268 million, and 2017/18: R318 million
Payment schedule	<ul style="list-style-type: none"> • Payments will be made according to verified invoices or advance payments in line with approved Programme Implementation Plans from the service providers • Monthly instalments which may be altered at the discretion of the National Treasury based on invoices paid

National Health Grant: National Health Insurance Component	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Convene and chair all meetings of the NTHH on contracting of health practitioners through implementing innovative models for the purchasing of health care services • Establish the necessary organizational structures and build capacity within the DoH to implement, oversee and monitor the execution of all approved projects using the 3 per cent administrative costs provision • Provide the guidance and support for innovative arrangements of engaging public and private sector providers, including methods of contracting (types of contracts and payment mechanisms) • Manage, monitor and support programme implementation • Submit quarterly financial and non-financial reports, including meeting summaries where necessary, to National Treasury 20 days after the end of the quarter • Include in the annual performance evaluation report of the grant required by the Division of Revenue Act the lessons learnt, including failures experienced and how these lessons will inform the design of future interventions <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Facilitate the achievement of grant outputs • Ensure compliance with all reporting requirements and adherence to the provisions of SLAs
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • DoH to submit first draft SLAs and business plans to National Treasury by 18 December 2015 • DoH must submit final SLAs and business plans to National Treasury by 25 March 2016

National Health Grant: Health Facility Revitalisation Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> • To ensure that appropriate health infrastructure is in line with national and provincial policy objectives
Grant purpose	<ul style="list-style-type: none"> • To create an alternative track to speed up infrastructure delivery, to improve spending, performance, and monitoring and evaluation on National Health Insurance (NHI) pilots and infrastructure projects • To enhance capacity and capability to deliver infrastructure for NHI pilots
Outcome statements	<ul style="list-style-type: none"> • Appropriate procurement of service providers for infrastructure delivery in NHI pilots • Improved spending, performance, monitoring and evaluation of infrastructure projects in NHI pilots • Improved employment and skills development in the delivery of infrastructure in NHI pilots • Value for money and cost effectively designed facilities in NHI pilots
Outputs	<ul style="list-style-type: none"> • Number of health infrastructure projects, initiated, planned, implemented and closed-out in NHI pilots
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) and Infrastructure Programme Implementation Plan (IPIP), which will be submitted on 29 May 2015 and will include the following: <ul style="list-style-type: none"> ○ costed project lists for 2015/16, 2016/17, and 2017/18 ○ projected milestones ○ cash flow for 2015/16 ○ procurement strategies and plans ○ human resource plan ○ monitoring and evaluation system
Conditions:	<ul style="list-style-type: none"> • The national Department of Health (DoH) must, in consultation with the provinces, develop and submit to the National Treasury by 29 May 2015, an intergovernmental protocol agreement outlining how the grant will operate and the responsibility and functions of each sphere. The agreements should also include: <ul style="list-style-type: none"> ○ programme management structure ○ list of the projects that are benefiting from the grant ○ indication of how projects will support the achievement of sector priorities ○ indication of how projects are aligned to the strategic objectives and service transformation plans for provincial health departments ○ confirmation that operational budgets (i.e. personnel, equipment, etc.) and maintenance budgets are affordable and will be made available for all new assets constructed or acquired • DoH must allocate both capital and current budget for projects • DoH must submit quarterly non-financial infrastructure reports to National Treasury within 30 days after the end of each quarter • The provincial departments should report the progress of the projects under this grant in their annual reports and describe how these facilities have been considered in their future planning and budgeting • DoH must maintain an up to date database (project management information system), infrastructure reporting model, and register of projects with all contracts that are fully or partially funded by this grant • DoH must convene quarterly progress review committee meetings with all project managers for monitoring and oversight of the performance of all funded projects • All completed projects must have a close-out report with a documented maintenance plan • National Treasury may request copies of any documentation and may withhold grant funding if there is non-compliance with any of the conditions above
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2015/16 are project and performance based
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Funding infrastructure through an indirect conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner that is consistent with national norms, standards and guidelines for health facilities
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • The grant was allocated R807 million, which was adjusted to R440 million. Of the adjusted allocation, R373.5 million (84.9 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • Out of 102 clinics that were selected to get additional space (Doctor's Consulting rooms) 79 are completed • 340 FET College Students have been appointed through Development Bank of South Africa and work has resumed in Gauteng, KwaZulu-Natal and Mpumalanga Provinces • On the PPP Projects, the feasibility studies for Limpopo Academic Hospital and Chris Hani Baragwanath Hospital in Gauteng Province have been finalised
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 continue over the 2015 Medium Term Expenditure Framework (MTEF), subject to a review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R913 million, 2016/17: R953 million, and 2017/18: R1 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly payments made according to verified and approved invoices from the services providers

National Health Grant: Health Facility Revitalisation Component	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Build and demonstrate the capacity necessary to manage this grant • Ensure alignment between the IPMP and the annual performance plans • Undertake the infrastructure development cycle to the extent agreed with the provinces in the implementation protocol agreements • For all projects under this grant appoint project level supervision via professional teams for level 2 and level 4 supervision on single or a cluster of projects depending on the nature and complexity of projects • Convene progress review committees with appropriate reporting • Submit all quarterly and annual progress and performance reports • Collaboration and coordination with provincial departments for the full development cycle of infrastructure development in respect of projects funded by this grant <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provinces will include completed projects in their asset register • Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant by the DoH • All immovable asset management and maintenance responsibilities of the completed projects under this grant as prescribed by the Government Immovable Asset Management Act of 2007 rests with the provinces
Process for approval of the 2016/17 annual implementation plans	<ul style="list-style-type: none"> • Submission of signed implementation protocol by 31 May 2016 • Submission of IPMP and IPIP by 31 May 2016

National Health Grant: Human Papillomavirus Vaccine Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 16)
Strategic goal	<ul style="list-style-type: none"> • To reduce the incidence of cancer of the cervix through the introduction of the Human Papillomavirus (HPV) vaccination to grade 4 school girls
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to prevent cervical cancer by making available HPV vaccination for grade 4 school girls in all public and special schools
Outcome statements	<ul style="list-style-type: none"> • Increased access to HPV vaccines by grade 4 school girls in all public and special schools
Outputs	<ul style="list-style-type: none"> • 80 per cent of eligible grade 4 school girls receiving the HPV vaccination • 80 per cent of schools with grade 4 girls reached by the HPV vaccination team
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"> • Outcome indicators • Output indicators • Inputs • Key Activities • Risk Management Plans
Conditions	<ul style="list-style-type: none"> • Completion of a service level agreement (SLA) in the format determined by the national Department of Health (DoH) between each provincial department and the national DoH • Ensure provinces include HPV vaccination indicators in provincial annual performance plans • Grant funding must also be used to strengthen capacity in provinces to manage the programme
Allocation criteria	<ul style="list-style-type: none"> • Allocations based on the number of grade 4 girls and schools with grade 4 from the Education Management Information System in each province
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • Cervical cancer is a high national priority and requires uniform implementation in order to achieve the minimum coverage of 80 per cent and have the desired impact of significantly reducing incidences of cervical cancer • To develop provincial capacity to assume responsibility of the programme from 2016/17
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> • New grant component introduced in 2014/15 <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • New grant component introduced in 2014/15
Projected life	<ul style="list-style-type: none"> • The grant is projected to end in 2015/16 • Funding for this programme will be incorporated into the equitable share in 2016/17
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R200 million
Payment schedule	<ul style="list-style-type: none"> • Payment will be made according to verified invoices or advance payments in line with approved HPV programme implementation plans
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Procure and distribute vaccines and other resources as per the provincial HPV vaccination programme • Monitor and support provincial planning and implementation • Meet with National Treasury to review performance of the grant on a quarterly basis • Strengthen the existing capacity in Child, Youth and School Health cluster for HPV vaccination coordination within the department • Strengthen the capacity of provinces to deliver the HPV vaccination programme • Provide a close-out report at the end of the projected life of the grant component <p>Responsibilities of the provincial department</p> <ul style="list-style-type: none"> • Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme • Provinces must submit a HPV vaccination implementation plan and micro plan for each district using standard formats as determined by the DoH • Delegate to a person, the responsibility of managing the HPV vaccination programme • Utilise existing human resource and transport capacity at all relevant levels
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Not applicable as the grant ends in 2015/16

HUMAN SETTLEMENTS GRANT

Human Settlements Development Grant	
Transferring department	<ul style="list-style-type: none"> ● Human Settlements (Vote 38)
Strategic goal	<ul style="list-style-type: none"> ● The creation of sustainable and integrated human settlements that enable an improved quality of household life and access to basic services
Grant purpose	<ul style="list-style-type: none"> ● To provide funding for the creation of sustainable and integrated human settlements
Outcome statements	<ul style="list-style-type: none"> ● The facilitation and provision of adequate housing and improved quality living environments ● A functionally equitable residential property market ● Enhanced institutional capabilities for effective coordination of spatial investment decisions
Outputs	<ul style="list-style-type: none"> ● Number of housing opportunities ● 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 properties transferred and/or title deeds issued (pre 1994, post 1994 and new developments) ● Hectares of well-located land rezoned and released for residential development ● Number of work opportunities created through related programmes ● Number of informal settlements assessed ● Number of units built for military veterans ● Number of women and youth contractors appointed
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 ● Project information ● Project readiness matrix
Conditions	<ul style="list-style-type: none"> ● Funds for this grant should be utilised for the priorities as set out in the 2014 Medium Term Strategic Framework and will only be released upon sign-off by the national Department of Human Settlements (DHS) of provincial business plans consistent with the Housing Act and National Housing Code ● The flow of the first tranche payment is subject to the submission of approved business plans ● Provincial Heads of Departments (HoDs) must confirm that projects captured in respective business plans are ready for implementation in the 2015/16 financial year ● For projects in metros, provinces must prioritise projects that meet the criteria in the Human Settlements Master Spatial Plan and/or are located in the Built Environment Performance Plan (BEPP) integration zones ● Provinces may, if a proven need exists, utilise up to 5 per cent of the provincial allocation for the operational capital budget programme to support the implementation of the projects as contained in the business plan ● Provinces must make budget allocations consistent with provincial and related municipal backlogs ● Where municipalities have been accredited for the housing functions at levels 1 and 2, the provincial business plans must reflect relevant allocations, signed-off project lists with separate accredited project targets and outputs for those municipalities which must be gazetted in terms of the Division of Revenue Act (DoRA) ● Provinces may only amend targets once a year. Where targets are revised during the mid-term budget adjustment and/or budgets are shifted, a revised business plan must be submitted to the DHS, by the relevant provincial department, by 30 October 2015 ● Funds have been added to this grant for the repair of infrastructure damaged by natural disasters. 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 for 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"> ○ Eastern Cape: R100.0 million ○ Gauteng: R40.0 million ○ KwaZulu-Natal: R158.8 million ○ Limpopo: R34.3 million ○ Mpumalanga: R34.1 million ○ North West: R38.5 million ○ Western Cape: R5.1 million

Human Settlements Development Grant	
	<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 • Monthly and quarterly performance reports on disaster allocations must be submitted to the NDMC • Report on sub-programmes on Basic Accounting System (BAS) • A minimum of 30 per cent of total Human Settlements Development Grant (HSDG) allocation must be spent using the Upgrading of Informal Settlements Programme with targets broken down per province in the delivery agreement • In addition, the following funds must be added to informal settlement upgrading projects in the area of each respective mining town. These are additional funds and may not be used to replace existing baseline funds allocated to projects in these areas: <ul style="list-style-type: none"> ○ Free State: <ul style="list-style-type: none"> – Matjhabeng: R75.3 million ○ Gauteng: <ul style="list-style-type: none"> – Merafong City: R50.0 million – Randfontein: R52.0 million – Westonaria: R60.9 million ○ Limpopo: <ul style="list-style-type: none"> – Thabazimbi: R16.4 million – Greater Tubatse: R36.5 million – Elias Motsoaledi: R16.6 million – Lephalale: R77.1 million – Fetakgomo: R7.6 million ○ Mpumalanga: <ul style="list-style-type: none"> – Emalahleni: R51.4 million – Steve Tshwete: R36.3 million – Thaba Chweu: R26.8 million ○ Northern Cape: <ul style="list-style-type: none"> – Tsantsabane: R22.1 million – Ga-Segonyana: R13.6 million – Gamagara: R 9.8 million – Kgatelopele: R 4.5 million ○ North West: <ul style="list-style-type: none"> – Kgetlengrivier: R61.6 million – Madibeng: R154.0 million – Moses Kotane: R44.0 million – Rustenburg: R149.9 million – Matlosana: R73.2 million
Allocation criteria	<ul style="list-style-type: none"> • The grant is allocated through the new HSDG allocation formula approved by the Human Settlements MINMEC and National Treasury. The formula is based primarily on the share of inadequate housing in each province but also accounts for the population size and extent of poverty in each province • Funds for informal settlement upgrading in mining towns are allocated based on the extent of informal settlements in each area
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> • Allocated and transferred R17 billion of which R16.5 billion (97 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 105 936 housing units completed • 48 193 serviced sites completed
Projected life	<ul style="list-style-type: none"> • This is a long term grant as government has an obligation to assist the poor with the provision of human settlements
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R18.2 billion, 2016/17: R19.9 billion, and 2017/18: R21.1 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments as per the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Finalise and ensure the approval of the subsidy quantum and the allocation formula for the delivery of sustainable and integrated human settlements • Cooperate with the National Treasury in standardising the BAS reporting codes across national and provincial spheres • Approve the final national and provincial business plans and compliance certificates

Human Settlements Development Grant	
	<ul style="list-style-type: none"> • Monitor the credibility of provincial business plans and the readiness of projects captured therein • Ensure that provinces align financial and non-financial information in terms of reporting in BAS, Housing Subsidy System (HSS), provincial business plans and provincial quarterly reports • Monitor provincial, financial and non-financial grant performance and control systems related to the HSDG • Ensure provinces comply with the reporting on the HSS in terms of frequency and quality of the input • Provide support to provinces and accredited municipalities with regards to human settlements delivery as may be required • Undertake structured and other visits to provinces and metropolitan municipalities as is necessary • Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities • Submit an annual evaluation report for 2014/15 on the performance of the grant to National Treasury by 31 July 2015 • Evaluate the audited provincial annual reports for submission to National Treasury by 15 December 2015 • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Provide systems (HSS) that support the administration of the human settlements delivery process • Comply with the responsibilities of the transferring officer outlined in the 2015 DoRA • Publish approved business plans <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Submit number of residential units and number of serviced sites delivered in each housing programme per month • Submit 2014/15 annual evaluation reports to DHS by 29 May 2015 • Submit 2014/15 audited annual reports to the DHS by 30 September 2015 • Prioritise funds in order to build houses to meet the quota set for the military veterans • Support accredited municipalities in carrying out delegated functions as per the accreditation framework • Provinces must utilise the HSS for the administration and related performance reporting of all the human settlement delivery programmes and processes • Any malicious use or non-compliance to the HSS will result in funds being withheld or stopped in terms of DoRA • Provinces must ensure alignment of financial and non-financial reporting in terms of reporting in BAS, HSS, provincial business plans, and provincial quarterly reports • Ensure effective and efficient utilisation of the HSS by municipalities • 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 2015 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 HoD and the relevant provincial treasury HoD • Submit the number of residential units and number of serviced sites delivered in each housing programme, and a report on the number of jobs created and number of houses allocated to the DHS, by the 15th of every month for the preceding month
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Draft provincial business plans for 2016/17 financial year and project readiness matrix to be submitted to the national department by 2 November 2015 • Submit final provincial business plans, project readiness matrix, including cash flow projections and compliance certificates for 2016/17 financial year to the DHS by 5 February 2016

PUBLIC WORKS GRANTS

Expanded Public Works Programme Integrated Grant for Provinces	
Transferring department	<ul style="list-style-type: none"> Public Works (Vote 11)
Strategic goal	<ul style="list-style-type: none"> To provide Expanded Public Works Programme (EPWP) funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised
Grant purpose	<ul style="list-style-type: none"> To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: <ul style="list-style-type: none"> road maintenance and the maintenance of buildings low traffic volume roads and rural roads other economic and social infrastructure tourism and cultural industries sustainable land based livelihoods waste management
Outcome statements	<ul style="list-style-type: none"> Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities Reduced levels of poverty Contribute towards increased levels of employment Improved opportunities for sustainable work through experience and learning gained
Outputs	<ul style="list-style-type: none"> Number of people employed and receiving income through the EPWP Increased average duration of the work opportunities created
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 4: Decent employment through inclusive growth
Details contained in the business plan	<ul style="list-style-type: none"> The programme is implemented through provinces using incentive agreements that contain project lists and targets for the creation of Full Time Equivalents (FTEs) and work opportunities
Conditions	<ul style="list-style-type: none"> Eligible provincial departments must submit a signed incentive agreement containing the final EPWP project list to the national Department of Public Works (DPW) by 30 April 2015 EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by DPW and the Ministerial Determination Eligible provincial departments must sign a funding agreement with their final EPWP project list attached, before the first planned disbursement of the grant Provincial departments must report quarterly on all projects via DPW's EPWP reporting system Reports must be loaded on the EPWP reporting system within 15 days after the end of every quarter in order for progress to be assessed The grant cannot be used for departmental personnel costs, however a maximum of 5 per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods The grant can only be utilised for EPWP purposes and for the projects approved in the incentive agreement signed by each eligible provincial department To receive the first planned grant disbursement, eligible provincial departments must: <ul style="list-style-type: none"> submit a final EPWP project list by 30 April 2015 sign a grant agreement with DPW Subsequent grant disbursements are conditional upon eligible provincial departments: <ul style="list-style-type: none"> reporting on EPWP performance quarterly within the required timeframes implementing their approved EPWP project list as planned towards the agreed job creation targets EPWP branding must be incorporated in any existing signage as per corporate identity manual Provincial departments must maintain beneficiary and or payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPW for data quality assessment tests
Allocation criteria	<ul style="list-style-type: none"> To be eligible for an EPWP grant allocation in 2015/16, a provincial department must have reported EPWP performance (in either the infrastructure or environment and culture sector) by 15 October 2014 The EPWP grant allocations are based on EPWP performance in the past 18 months, number of FTEs created per million rand, and the duration of the work opportunities created
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance The grant is based on performance, the potential to expand and the need for EPWP work in key geographic regions
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> Out of the R357 million allocated amount R354 million was transferred (99 per cent) of which R322 million (91 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> 364 166 work opportunities reported and 112 541 FTEs created
Projected life	<ul style="list-style-type: none"> Grant continues until the end of 2017/18 financial year, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R351 million, 2016/17: R402 million, and 2017/18: R424 million

Expanded Public Works Programme Integrated Grant for Provinces	
Payment schedule	<ul style="list-style-type: none"> • Three instalments per annum (15 May 2015, 14 August 2015, and 16 November 2015) <ul style="list-style-type: none"> ○ 40 per cent of the allocation will be disbursed on 15 May 2015 ○ a further two payments of 30 per cent each are planned for 14 August 2015 and 16 November 2015
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Determine eligibility and set grant allocations and FTE targets for eligible provincial departments • Publish on the EPWP website all documents relevant for provincial departments to understand and implement the grant, including a grant manual, the relevant EPWP guidelines and the Ministerial Determination • Support provincial departments, in the manner agreed to in the funding agreement, to identify suitable EPWP projects, develop EPWP project lists in accordance with the EPWP project selection criteria, apply the EPWP project selection criteria and EPWP guidelines to project design, report using the EPWP reporting system • Monitor the performance and spending of provincial departments and assess progress towards their implementation of EPWP project lists • Disburse the grant to eligible provinces • Report to National Treasury progress against FTE targets and spending against the grant allocation on a quarterly basis • Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement • Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions • Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP Web Based System <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Develop and submit an EPWP project list to the DPW by 30 April 2015 • Sign the standard funding agreement with DPW agreeing to comply with the conditions of the grant before receiving any grant disbursement by 30 April 2015 • Agree on the areas requiring technical support from DPW upon signing the grant agreement • Report on all EPWP projects into the EPWP reporting system and update progress quarterly in accordance with the reporting requirements and timelines stipulated in the grant agreement
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Provincial departments must report on performance of EPWP projects for the 2014/15 financial year by 15 April 2015 or report on 2015/16 performance by 15 October 2015 to be eligible for a grant allocation • Provincial departments must submit draft 2016/17 EPWP project lists to DPW by the end of April 2016 • Eligible provincial departments must sign the standard funding agreement with an approved 2016 EPWP project list by the end of April 2016

Social Sector Expanded Public Works Programme Incentive Grant for Provinces	
Transferring department	<ul style="list-style-type: none"> Public Works (Vote 11)
Strategic goal	<ul style="list-style-type: none"> To increase job creation through the expansion of the social sector Expanded Public Works Programme (EPWP)
Grant purpose	<ul style="list-style-type: none"> To incentivise provincial social sector departments, identified in the 2014 social sector EPWP log-frame to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential
Outcome statements	<ul style="list-style-type: none"> Improved service delivery to communities by expanding the reach and quality of social services Improved quality of life of unemployed people through employment creation and increased income Contribute towards decreased levels of unemployment Improved opportunities for sustainable work through experience and learning gained Strengthened capacity of non-government delivery partners through increased access to funds for training, wages and administration
Outputs	<ul style="list-style-type: none"> 11 005 Full Time Equivalents (FTEs) funded through this grant A minimum of 10 546 people employed and receiving income through the EPWP A minimum average duration of 200 person days for work opportunities created A minimum of 30 000 households to which services are provided A minimum of 60 000 beneficiaries to whom services are provided A minimum of 500 beneficiaries who received training
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 4: Decent employment through inclusive economic growth Outcome 5: A skilled and capable workforce to support an inclusive growth path
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Provincial departments must submit to the national Department of Public Works (DPW) signed-off business plans on how to achieve the incentive grant targets by 31 March 2015 Provincial departments must sign an incentive agreement with DPW by 15 April 2015 to comply with the conditions and obligations of the grant Provincial departments must report EPWP expenditure on the monthly In-Year-Monitoring (IYM) tool in accordance with section 32 of the Public Finance Management Act Reports on financial and non-financial performance must be loaded on the EPWP reporting system within 15 days after the end of each quarter Provincial departments must adhere to the audit requirements stipulated in the social sector EPWP incentive grant manual The incentive grant allocation must be used to expand job creation programmes in the social sector The incentive grant allocation must be used to fund the following priority areas: <ul style="list-style-type: none"> to provide stipends to unpaid volunteers at a minimum R75.10 per day and further adjustments as per the Ministerial Determination for EPWP Workers and the prescripts of the Department of Labour to provide additional allocations for prioritising existing programmes that contributed to achieving EPWP targets to expand social sector EPWP programmes as identified in the EPWP social sector log-frame for creation of additional work opportunities A minimum of 80 per cent of the total incentive allocation must be used to pay stipends or wages Of this 80 per cent, at least 25 per cent must be used for the creation of work opportunities for persons not previously employed in the relevant programme EPWP branding must be incorporated in any existing signage as per corporate identity manual The balance of the overall incentive allocation must be used for capacity-building at the implementation level or the standardisation of wages Maintain beneficiary and payroll records as specified in the audit requirements of the EPWP grant manual
Allocation criteria	<ul style="list-style-type: none"> To be eligible for an incentive allocation in 2015/16, a provincial department must have reported 2013/14 and/or 2014/15 EPWP performance by 15 October 2014 Departments receive a participation allocation which depends on the number of FTEs contributed in the preceding 18 months leading up to 30 September 2014 For departments that reported in 2013/14, the department's performance is assessed against a set of social sector EPWP standards to determine the size of an additional allocation. These are: <ul style="list-style-type: none"> number of FTEs per million rand per departmental programme as compared to the median value for similar programmes (cost-effectiveness) beneficiary profile consisting of 2 per cent persons with disabilities beneficiary profile consisting of 40 per cent youth beneficiary profile consisting of 55 per cent female beneficiaries 10 per cent of days worked spent in training average duration of work opportunities average minimum daily wage of R66.34 from April to October 2013 and R70.59 from November 2013 to March 2014 (per person day of work)

Social Sector Expanded Public Works Programme Incentive Grant for Provinces	
	<ul style="list-style-type: none"> The additional allocation for each eligible provincial department is based on its proportion of the total allocation, which is derived by multiplying a composite score against the above standards with the number of FTEs created in the 18 month period prior
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The incentive allocation is based on the performance of programmes in a prior financial year and use of the allocation is specifically earmarked for EPWP programme expansion
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> Of the total R257.6 million allocated R243 million (94.4 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> 13 663 FTEs were created 609 174 households serviced 3 072 non-profit organisations administratively supported
Projected life	<ul style="list-style-type: none"> Ongoing subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R241 million, 2016/17: R360 million, and 2017/18: R386 million
Payment schedule	<ul style="list-style-type: none"> Three instalments (8 May 2015, 31 July 2015, and 30 October 2015)
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Determine the eligibility of provincial departments, set job creation targets and performance measures and calculate incentive allocations Revise an incentive manual that will provide provincial departments with standard information on the rules of the incentive programme, its application, monitoring and evaluation information and audit regulations Develop an incentive agreement outlining the requirements of the incentive grant and ensure that each provincial department signs the agreement by 15 April 2015 Reach agreement with national sector departments on their roles in ensuring effective implementation of the incentive grant by 15 April 2015 Support provincial departments to develop plans to meet job creation targets Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system Monitor the performance of provincial departments and the use of the incentive grant against the conditions in the framework and report to National Treasury on monthly and quarterly progress Audit the final performance of provincial departments after the end of the financial year Report quarterly to provincial departments on projected eligibility for the incentive grant in the following year Issue guidelines to provincial departments on how to report expenditure by 31 March 2015 Identify anomalies in the reported data <p>Responsibilities of the provincial department</p> <ul style="list-style-type: none"> Compile and sign business plans on how to achieve the incentive grant targets by 31 March 2015 By 15 April 2015 sign the standard incentive agreement with DPW agreeing to comply with the conditions and obligations of the grant before receiving any incentive payment Report EPWP performance onto the EPWP reporting system and update progress monthly and quarterly in accordance with the reporting requirements in the incentive agreement Provide financial and non-financial data on the use of the incentive grant on a monthly and quarterly basis in the format and manner prescribed by National Treasury and DPW
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> Provincial departments must have reported EPWP performance by 15 October 2015 to be eligible for an allocation Provincial departments participate in the planning exercise from December to January each year and submit their business plans and targets to DPW during this process in the format prescribed DPW to distribute the incentive agreements for provincial Head of Department endorsement by end of March every year Provincial departments sign the incentive agreement with DPW by 15 April 2016 and agree to comply with the conditions and obligations of the incentive grant

SOCIAL DEVELOPMENT GRANT

Substance Abuse Treatment Grant	
Transferring department	<ul style="list-style-type: none"> • Social Development (Vote 17)
Strategic goal	<ul style="list-style-type: none"> • To strengthen the harm reduction programme by providing treatment for substance abuse • To improve access to public substance dependency treatment facilities
Grant purpose	<ul style="list-style-type: none"> • To provide funding for the construction of substance dependency treatment facilities in the provinces of Eastern Cape, Free State, Northern Cape and North West
Outcome statements	<ul style="list-style-type: none"> • Reduction in recurrence of substance abuse • Affordable public treatment programmes
Outputs	<ul style="list-style-type: none"> • Four substance dependency treatment facilities
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 Project Implementation Plan (PIP) and will include the following: <ul style="list-style-type: none"> ○ project schedule ○ cost plan ○ annual project cash flows and milestones ○ risk plan ○ project governance structure assigning roles and responsibilities for the management of the project ○ detailed project designs
Conditions	<ul style="list-style-type: none"> • All required reports must signed off by the relevant delegated official within the provincial department, however final approval needs to be obtained from national Department of Social Development (DSD) in order to commence with the next stage • The PIPs must be approved by the DSD • The flow of the first instalment of the grant depends upon receipt by DSD and provincial treasuries of: <ul style="list-style-type: none"> ○ monthly progress reports via the Infrastructure Reporting Model (IRM) including a narrative progress report on the project ○ PIP signed by the Head of Department of the provincial Department of Social Development
Allocation criteria	<ul style="list-style-type: none"> • Provinces were allocated funds according to the cost calculations for a standard design guideline of a substance dependency treatment centre
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This grant enables the DSD to ensure the delivery of substance abuse treatment facilities in the four provinces that do not have these public facilities
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> • New grant introduced in 2014/15 <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • New grant introduced in 2014/15
Projected life	<ul style="list-style-type: none"> • The grant is expected to end in 2016/17, after which it will form part of the provincial equitable share
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R48 million, and 2016/17: R48 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made on a quarterly basis
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Monitoring compliance to conditional grant framework • Monitor implementation through project site visits and provide appropriate support • Provide the guidelines and criteria for the development and approval of the PIP • Submit an annual evaluation report after the end of the 2014/15 financial year, four months after the financial year (29 July 2015) • Provide National Treasury with a quarterly report against the project plan 45 days after the end of each quarter <p>Responsibilities of the provincial department</p> <ul style="list-style-type: none"> • Provincial departments must establish committees with the relevant Implementing Agents (IAs) and hold monthly meetings that are minuted to review progress on site • Submit a PIP developed together with the IAs • Provinces to implement the project charter as approved by DSD • DSD must be notified in writing about deviations before implementation can take place • Provinces to submit evaluation reports to DSD two months after the end of the financial year • Provinces to report on IRM on a monthly basis
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Provinces must review current project charter, and submit any revisions to the national department by 14 November 2015 • Updated PIP to be submitted by 17 March 2016 • The transferring officer approves revised provincial project charter by 31 March 2016

SPORT AND RECREATION SOUTH AFRICA GRANT

Mass Participation and Sport Development Grant	
Transferring department	<ul style="list-style-type: none"> • Sport and Recreation South Africa (Vote 40)
Strategic goal	<ul style="list-style-type: none"> • Increasing citizens' access to sport and recreation activities
Grant purpose	<ul style="list-style-type: none"> • To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders
Outcome statements	<ul style="list-style-type: none"> • Increased and sustained participation in sport and recreation • Improved sector capacity to deliver sport and recreation
Outputs	<ul style="list-style-type: none"> • School sport supported • Community sport and recreation participation
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 • Outcome 14: A diverse, socially cohesive society with a common national identity
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<p>Provincial compliance</p> <ul style="list-style-type: none"> • Ensure that the measurable objectives and performance indicators of the conditional grant (as agreed to by Sport and Recreation South Africa (SRSA)) are reflected in the respective provincial departments' Annual Performance Plans (APPs) for 2015/16 • Submit a business plan to SRSA by 13 March 2015 signed by the Head of Department (HoD) and provincial treasury • Enter into a formal agreement with SRSA after the approval of their business plans prior to the start of the financial year by 31 March 2015 • Payments may be affected by compliance issues, e.g. submission of information (business plan, Project Implementation Agreement (PIA), monthly and quarterly reports, evidence supporting reports submitted • Funds may not be used on projects falling outside the scope of the grant unless prior written request and approval to such effect is granted by SRSA • Only procure equipment and attire from the transversal contracts as determined by SRSA in conjunction with provinces • Procure, store, and maintain branding material for display by provinces at SRSA funded events, (including programmes funded through the conditional grant) in the respective provinces, as per SRSA specifications • Appoint staff on a long-term or permanent basis (at a cost not exceeding 6 per cent of the total grant allocated to the respective province) for the coordination of school sport, club, hub, academy and sport council programmes • Submit monthly financial reports (In Year Monitoring) and monthly narrative reports per sub programme to SRSA 15 days after the end of the month, using the standard format as determined by SRSA. An electronic version and faxed hard copy signed by the Chief Financial Officer (CFO) and HoD of the respective province must be submitted • Every monthly report must provide evidence on what has been achieved and what is outstanding, irrespective of the status of the project • Endeavour to create community structures within local municipalities to contribute to seamless service delivery in the SRSA 16 priority codes • Ensure that all structures are aligned to the SRSA 16 priority codes • Ensure that 50 per cent of the clubs and hubs established are from rural and farm areas <p>Financial allocation</p> <ul style="list-style-type: none"> • The conditional grant must be utilised according to the following percentage splits: <ul style="list-style-type: none"> ○ employment of permanent staff 6.0 per cent ○ branding 0.5 per cent ○ district and provincial academies 5.0 per cent ○ national training centre (Free State) 4.5 per cent ○ provincial sports councils/confederations 4.0 per cent ○ school sports 40.0 per cent ○ hubs 16.0 per cent ○ club development 16.0 per cent ○ club development pilot (KwaZulu-Natal and Limpopo) 3.0 per cent ○ provincial programmes 5.0 per cent • Major categories of spending are further divided as follows: <p>School Sport – 40 per cent</p> <ul style="list-style-type: none"> • Provinces must ring - fence R10 million to provide transport, accommodation, meals, attire and support for the delivery of provincial teams to national sport tournaments hosted by SRSA • The remaining school sport allocation must be allocated in the following proportions: <ul style="list-style-type: none"> ○ 10 per cent to support the training of educators and school sport volunteers ○ 10 per cent to purchase equipment for disadvantaged schools identified through participation in leagues ○ 5 per cent to purchase attire for disadvantaged schools identified through participation in leagues

Mass Participation and Sport Development Grant	
	<ul style="list-style-type: none"> ○ 30 per cent to deliver district and provincial competitions ○ 10 per cent to support the implementation of sport focus schools ○ 15 per cent to remunerate circuit coordinators who coordinate and support the delivery of school sport programmes and monitor and evaluate at a local level ○ 15 per cent to support school sport structures ○ 5 per cent for administration costs ○ Provinces based on their provincial dynamics may apply to the Director-General to change the above sub-allocations <p>Hubs – 16 per cent</p> <ul style="list-style-type: none"> ● Provinces must ring - fence R3 million per province for Youth Camps (District Municipalities and Provincial level (3 days camp). ● The remainder of hubs allocation must be divided in the following proportions for recreation and ministerial programmes <ul style="list-style-type: none"> ○ 35 per cent for sport and recreation promotion programmes ○ 10 per cent to purchase equipment ○ 20 per cent to purchase attire ○ 5 per cent for Minister's outreach programmes ○ 20 per cent for training ○ 10 per cent for administration costs ○ provinces based on their provincial dynamics may apply to the transferring officer to change the above sub-allocations <p>Club development – 16 per cent</p> <ul style="list-style-type: none"> ● The portion of the grant ring - fenced for club development must be used in the following proportions: <ul style="list-style-type: none"> ○ 25 per cent for training in the following: <ul style="list-style-type: none"> – sport administration – coaching – technical officiating – team management ○ 45 per cent for tournaments and league fixtures ○ 15 per cent to purchase equipment ○ 5 per cent to purchase attire ○ 10 per cent for administration costs ○ provinces, based on their provincial dynamics, may apply to the Director-General to change the above sub-allocations <p>District and provincial academies – 5 per cent</p> <ul style="list-style-type: none"> ● 5 per cent of the total conditional grant (allocated to the respective province) must be used for the establishment and development of academies in line with the sport academies framework and guidelines from SRSA <p>National training centre (Free State) – 4.5 per cent</p> <ul style="list-style-type: none"> ● 4.5 per cent of the total conditional grant (allocated to the National Training Centre (NTC)) must be used for the construction of the NTC that will serve all the national teams. The centre will provide accommodation required for training of national teams (accommodation, conferencing, etc.) <p>Provincial sports council/confederation – 4 per cent</p> <ul style="list-style-type: none"> ● Provinces may transfer funds to provincial sports councils with the following conditions: <ul style="list-style-type: none"> ○ there must be a plan for the transfer which must be part of the provincial business plan approved by the national department ○ the transfer of funds is to be used in line with the main purpose of the grant ○ there must be a Service Level Agreement or memorandum of agreement with the provincial department and the provincial sports council/confederation ○ there must be a monitoring mechanism in place to monitor expenditure and performance by the provincial sports council <p>Club development pilot (KwaZulu-Natal and Limpopo) – 3 per cent</p> <ul style="list-style-type: none"> ● The two provinces have been identified for the piloting of the system on the basis that they are to identify no less than 300 clubs in football, netball and athletics. The provinces will have to acquire franchises to ensure sustainability of the supported clubs
Allocation criteria	<ul style="list-style-type: none"> ● Funds are distributed among provinces on the basis of a baseline allocation of R20 million, a needs analysis, and the provincial equitable share formula
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● Conditional grant is necessary to ensure national coordination, monitoring and facilitation
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> ● Allocated and transferred R452 million to provinces, of which R452 million (100 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> ● Number of people trained in sport and development: 8 336 ● Number of mass mobilisation campaigns held: 300 ● Number of people participating in schools and community hubs and clubs: 3 244 907
Projected life	<ul style="list-style-type: none"> ● On-going subject to review as agreed with National Treasury

Mass Participation and Sport Development Grant	
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R537 million, 2016/17: R561 million, and 2017/18: R596 million
Payment schedule	<ul style="list-style-type: none"> • Four instalments (30 April 2015, 31 August 2015, 30 November 2015 and 29 January 2016)
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Submit the 2014/15 annual evaluation report to National Treasury by 31 July 2015 • Agree on outputs and targets with provincial departments in line with grant objectives for 2015/16 by 18 September 2015 • Provide the guidelines and criteria for the development and approval of business plans • Monitor implementation and provide support • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Ensure that all the conditional grant practice notes issued by National Treasury are adhered to
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Submit the 2014/15 annual evaluation report to SRSA by 29 May 2015 • Submit monthly reports as per the requirements contained in the Division of Revenue Act (DoRA) • Submit quarterly performance reports (as per operational plans) to SRSA within 30 days after the end of each quarter • Monitor progress of the grant implementation • Ensure provincial grant managers attend all national conditional grant meetings • Ensure capacity exists to manage the grant and that there is a grant manager responsible for the grant • Ensure organisational capacity to deliver on the programme
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Provinces to provide draft business plans to SRSA by 13 November 2015 • SRSA evaluates draft business plans by 4 December 2015 • Comments sent to provinces by 10 December 2015 • Provinces to submit revised business plans to SRSA by 15 January 2016 • SRSA to approve revised business plans by 12 February 2016 • HoDs to submit signed business plans to SRSA by 11 March 2016 • SRSA to sign PIAs and business plans with provincial HoDs by 8 April 2016 • SRSA to submit approved business plans to National Treasury by 29 April 2016

TRANSPORT GRANTS

Provincial Roads Maintenance Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 35)
Strategic goal	<ul style="list-style-type: none"> • To ensure efficient investment in provincial roads to implement the Road Infrastructure Strategic Framework For 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 routine, periodic and special maintenance • To ensure all roads are classified as per RISFSA and the Road Classification and Access Management (RCAM) guidelines • To implement and maintain Road Asset Management Systems (RAMS) • To supplement provincial projects for the repair of roads and bridges damaged by declared natural disasters • To improve the state of the road network serving electricity generation infrastructure • To improve road safety with a special focus on pedestrian safety in rural areas
Outcome statements	<ul style="list-style-type: none"> • Improve the condition and lifespan of the assets (provincial roads), thereby improving the level of service • Improved rates of employment, community participation and skills development through the delivery of roads infrastructure projects (Expanded Public Works Programme objective) • Create work opportunities for unemployed people through labour-intensive construction methodologies for the delivery of road infrastructure projects
Outputs	<ul style="list-style-type: none"> • Road classification processes are 100 per cent complete and continuously maintained, including all newly proclaimed constructed and upgraded roads • Fully functional RAMS in line with minimum requirements for a provincial road authority • Network condition assessment and determination of project list from the RAMS • The following will be measured against 2015/16 targets defined in the final Road Asset Management Plan (RAMP) for each province: <ul style="list-style-type: none"> ○ number of lane kilometres of surfaced roads rehabilitated ○ number of lane kilometres of surfaced roads resurfaced (overlay or reseal) ○ number of m² of blacktop patching (including pothole repairs) ○ number of kilometres of gravel roads re-gravelled ○ number of kilometres of gravel roads bladed • Submission of updated road condition data (paved and unpaved), traffic data, and bridge condition report by 28 August 2015 • Number of work opportunities created against a target of 223 295 • Number of Full Time Equivalents (FTEs) jobs created against a target of 63 105
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 RAMP, which contains the following details: <ul style="list-style-type: none"> ○ level of service ○ network condition and traffic volumes ○ project lists for 2015/16 to 2017/18 with a summary of targets as per Key Performance Indicator (KPI) for preventative, routine and emergency maintenance and road rehabilitation works ○ financial summary ○ organisational and support plan ○ job creation estimates ○ emerging contractor opportunities ○ linkages to socio economic activities and opportunities
Conditions	<ul style="list-style-type: none"> • Provinces may use a maximum of R10 million from the Provincial Roads Maintenance Grant (PRMG), subject to approval from DoT, for: <ul style="list-style-type: none"> ○ the completion of road classification and updating of the Geographic Information System (GIS) spatial maps and records for all roads in South Africa by the end of 2015/16 ○ Ensuring that provincial RAMS is kept up to date in accordance with Technical Method for Highways (TMH9; TMH19 and TMH22) • A maximum of R10 million may be used for the appointment of public servants to infrastructure units. This funding is allocated as capacity support and is available until the 2015/16 financial year • For RISFSA Class R1, R2 and R3 data collection requirements are: <ul style="list-style-type: none"> ○ visual condition data no older than 2 years, for pavements and 5 years for bridges ○ instrumental pavement data for roughness, rut depth and macro texture no older than 2 years ○ instrumental pavement data for structural strength no older than 5 years ○ traffic data no older than 3 years • For RISFSA Class R4 and R5 data requirements are: <ul style="list-style-type: none"> ○ visual condition data no older than 3 years for pavements and 5 years for bridges ○ instrumental pavement data for roughness, rut depth and macro texture no older than 4 years on paved roads only ○ traffic data no older than 5 years

Provincial Roads Maintenance Grant	
	<ul style="list-style-type: none"> ● Provinces must submit visual condition inspection data to the national data repository as per the format determined by the Committee of Transport Officials (COTO), RAMS Technical Sub-Committee and prescribed by DoT ● 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 ● A draft detailed RAMP for 2015/16 that is compliant with the requirements of the Government Immovable Assets Management Act (2007) and based on the COTO Road Asset Management Guidelines (RAMG) must be submitted by 27 March 2015 to DoT, relevant provincial treasury and National Treasury ● 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"> ○ all outstanding RAMS data, signed-off 2014/15 monthly Infrastructure Reporting Model (IRM) and signed-off budget sheet by 15 April 2015 ○ planning IRM for 2015 Medium Term Expenditure Framework (MTEF), final RAMP and signed-off project list for the 2015 MTEF in a Table B5 format by 20 April 2015 ● The payment of the second instalment is dependent on submission to DoT of the fourth quarter performance report for 2014/15, updated monthly IRM and signed-off budget sheet by 15 July 2015 ● The third instalment is dependent on receipt by DoT of the first quarter performance report for 2015/16, updated IRM and signed-off budget sheet for 2015/16 by 15 October 2015 ● The fourth instalment is dependent on receipt of the second quarter performance report for 2015/16, updated monthly IRM and signed-off budget sheet reporting for 2015/16 by 15 January 2016 ● Road rehabilitation of provincial road networks is limited to a maximum of 25 per cent of the value of the grant allocation per province. Deviations from this must be by application to the national DoT, and motivated through a Road Asset Management System (RAMS). These projects include multi-year projects that are continuing since inception of the grant ● The upgrading of gravel roads to surface roads, the construction of new roads and new interchanges do not qualify for funding under this grant ● The following amounts per province must be used in 2015/16 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: R126.7 million ○ KwaZulu-Natal: R30.2 million ○ Limpopo: R90.9 million ○ Mpumalanga: R128.3 million ○ Western Cape: R104.4 million ● Should the cost of repairing the disaster affected infrastructure exceed the amounts earmarked below provinces must fund that shortfall from their provincial equitable share ● 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 ● Quarterly performance reports on disaster allocations must be submitted to the NDMC and DoT ● All new provincial roads infrastructure projects funded through the grant must be branded on the contract sign boards with the S'hamba Sonke logo
Allocation criteria	<ul style="list-style-type: none"> ● Allocations are based on the PRMG formula, which takes into account the extent of the provincial road network (gravel/paved), the traffic volumes, the visual condition indices on the network and geo-climatic and topographic factors ● The funding for road networks supporting electricity generation infrastructure are subject to separate allocation criteria based on the programme schedule: <ul style="list-style-type: none"> ○ Mpumalanga must allocate R830 million in 2015/16 to coal haulage road projects ● The funding for rehabilitation and repair of roads and bridges that were assessed by the NDMC is subject to separate allocation criteria ● Allocation criteria from 2016/17 onwards shall consider compliance by provinces in submitting recently updated road condition data/reports
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>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> ● Of the total R8.7 billion allocated and transferred R8.3 billion (95 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> ● 10 802 734 m² of roads re-sealed. ● 5 909 km of roads re-gravelled ● 997 609 m² of roads patched ● 805 609 km bladed
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"> ● 2015/16: R9.9 billion, 2016/17: R10.1 billion, and 2017/18: R10.8 billion

Provincial Roads Maintenance Grant	
Payment schedule	<ul style="list-style-type: none"> • Payment will be made in accordance with a payment schedule agreed to with provinces and approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Assess and evaluate all provinces' RAMPs and give feedback to provincial departments • DoT in partnership with the national Department of Public Works (DPW) will assess business plans to ensure compliance to S'hamba Sonke and Expanded Public Works Programme (EPWP) guidelines. In addition, the two departments will monitor and assess the performance on the S'hamba Sonke and EPWP by provincial departments • Assess and approve the submissions from provinces regarding the use of the maximum of R10 million for RAMS and capacity building of their infrastructure units • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit a grant evaluation report to National Treasury 120 days after the end of the financial year • Develop a performance based allocation mechanism for use in determining future allocations <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provincial departments must submit quarterly infrastructure reports to DoT and the relevant provincial treasury that comply with the IRM and S'hamba Sonke templates 45 days after the end of each quarter • Submit quarterly performance reports within 30 days after the end of each quarter to DoT, the relevant provincial treasury and National Treasury • Provincial departments must implement their projects in line with the S'hamba Sonke and EPWP guidelines • Provincial departments should report on the EPWP job creation data to DoT and DPW on the EPWP reporting system • Provinces must report all infrastructure expenditure partially or fully funded by this grant on the IRM provided by National Treasury • Ensure projects are selected using RAMS as the primary source of information • Ensure ongoing stakeholder communication and engagement, regarding planning and implementation of road projects • Ensure that approved PRMG funded projects are gazetted through the provincial legislative system and processes. DoT's approval is needed on the PRMG project list before it is tabled at the provincial legislature • Design and implement projects in compliance with the S'hamba Sonke and EPWP guidelines
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Provinces submit a draft business plan in the prescribed RAMP format, with projects selected using RAMS as the primary source, by 28 August 2015 • RAMPs, including PRMG project lists, are assessed and reviewed by DoT, DPW and National Treasury and feedback is provided within 30 days • Provinces to submit final 2016/17 RAMP to DoT, relevant provincial treasury and National Treasury by 30 November 2015

Public Transport Operations Grant																							
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 35) 																						
Strategic goal	<ul style="list-style-type: none"> • Subsidised road based public transport services 																						
Grant purpose	<ul style="list-style-type: none"> • To provide supplementary funding towards public transport services provided by provincial departments of transport 																						
Outcome statements	<ul style="list-style-type: none"> • The provision of public transport services in terms of contracts which are kilometre based and affordable to the users of the services 																						
Outputs	<ul style="list-style-type: none"> • Subsidy per trip operated • Subsidy per kilometre operated • Subsidy per passenger • Subsidy per vehicle • Number of vehicles subsidised • Number of cumulative annual vehicles subsidised • Number of scheduled trips • Number of trips operated • Passengers per kilometre operated • Passengers per trip operated • Employees per vehicle 																						
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"> • Not applicable 																						
Conditions	<ul style="list-style-type: none"> • The conditional grant is a national contribution to subsidised service contracts entered into by the provincial departments of transport and public transport operators for the provision of affordable subsidised transport services • The contracting authority must supervise, monitor and verify the correctness of the operators' claim in terms of the kilometres of service provided and provide a summary report • If the contracting function is devolved to any municipality before the 2015/16 adjustment budget, the appropriate portion of the grant will also be devolved to the municipality • The implementation of the devolution should be in terms of section 17(5) of the Division of Revenue Act (DoRA) • The municipality and province will have to make transitional arrangements to ensure payments to operators meet contractual commitments. Should contracts be devolved during 2015/16, a service level agreement between the province and the municipality must be signed and funds must flow in line with DoRA requirements. Provinces must take all reasonable measures to assist the transition within a framework to be prescribed by the national Department of Transport (DoT) and National Treasury • All new contracts concluded must be done as per relevant legislation and in compliance with the Public Transport Strategy • Designs and operators' business plans detailing subsidised services must be approved by a Public Transport Integration Committee comprising of the three spheres of government to ensure alignment with Integrated Public Transport Network plans. Where an Intermodal Planning Committee is established at municipal level, in terms of the National Land Transport Act (NLTA), the functions of the two committees must be consolidated to ensure integration of planning, services and modes 																						
Allocation criteria	<ul style="list-style-type: none"> • The allocations are based on 2009 DoRA allocation baseline. Provinces/contracting authorities should determine individual operator's budget and ensure that the operation stays within the allocation or provide supplementary funds from the provincial budget 																						
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Subsidies are earmarked for the provision of public transport services 																						
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> • Allocated and transferred R5.6 billion to provinces of which R4.6 billion (83.2 per cent) was spent by the end of the national financial year <p>2013/14 service delivery performance</p> <table> <tbody> <tr> <td>• Number of cumulative annual vehicles subsidised:</td> <td style="text-align: right;">78 087</td> </tr> <tr> <td>• Number of vehicles subsidised:</td> <td style="text-align: right;">6 507</td> </tr> <tr> <td>• Number of routes subsidised:</td> <td style="text-align: right;">127.5</td> </tr> <tr> <td>• Number of kilometres subsidised:</td> <td style="text-align: right;">238.1 million</td> </tr> <tr> <td>• Subsidy per vehicle:</td> <td style="text-align: right;">R58.1</td> </tr> <tr> <td>• Subsidy per passenger:</td> <td style="text-align: right;">R13.9</td> </tr> <tr> <td>• Subsidy per kilometre operated:</td> <td style="text-align: right;">R19.1</td> </tr> <tr> <td>• Kilometres operated per vehicle</td> <td style="text-align: right;">3 049</td> </tr> <tr> <td>• Passengers per vehicle:</td> <td style="text-align: right;">4 196</td> </tr> <tr> <td>• Passengers per trip operated:</td> <td style="text-align: right;">53.6</td> </tr> <tr> <td>• Employees per vehicle:</td> <td style="text-align: right;">2.0</td> </tr> </tbody> </table>	• Number of cumulative annual vehicles subsidised:	78 087	• Number of vehicles subsidised:	6 507	• Number of routes subsidised:	127.5	• Number of kilometres subsidised:	238.1 million	• Subsidy per vehicle:	R58.1	• Subsidy per passenger:	R13.9	• Subsidy per kilometre operated:	R19.1	• Kilometres operated per vehicle	3 049	• Passengers per vehicle:	4 196	• Passengers per trip operated:	53.6	• Employees per vehicle:	2.0
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• Employees per vehicle:	2.0																						
Projected life	<ul style="list-style-type: none"> • Subject to the devolution of funds to local government as part of the operationalisation of the NLTA 																						
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R4.9 billion, 2016/17: R5.2 billion, and 2017/18: R5.5 billion 																						

Public Transport Operations Grant	
Payment schedule	<ul style="list-style-type: none"> • Eleven monthly instalments according to a payment schedule approved by National Treasury (13 May 2015, 10 June 2015, 8 July 2015, 12 August 2015, 9 September 2015, 14 October 2015, 11 November 2015, 9 December 2015, 13 January 2016, 10 February 2016, 9 March 2016)
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Improve efficiencies in public transport spending • Maintain national database with key performance indicators of public transport services as per data received from contracting authorities • Develop and coordinate the necessary contracting documents to be used in subsidising public transport services • Provide guidelines and criteria for the development of business plans for services to be subsidised • Advise contracting authorities regarding the design of contracted services <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Any contractual agreement entered into by a contracting authority in relation to this grant will be the responsibility of the contracting authority • Ensure that contracted operators' certified claims are paid within 30 days from the date of receipt • Certify and submit monthly performance reports to DoT within 25 days after the month following the operation, and quarterly performance reports within 30 days after the end of each quarter using the reporting format developed by DoT • Provinces must assist municipalities in the process of devolving the contracting function as set out in the NLTA
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • Not applicable

ANNEXURE W3:
FRAMEWORKS FOR CONDITIONAL
GRANTS TO MUNICIPALITIES

Annexure W3: Frameworks for Conditional Grants to Municipalities

Detailed frameworks on Schedule 4, Part B; Schedule 5, Part B; Schedule 6, Part B; and Schedule 7, Part B grants to municipalities

Introduction

This annexure provides a brief description for each grant in Schedule 4, Part B; Schedule 5, Part B; Schedule 6, Part B; and Schedule 7, Part B of the 2015 Division of Revenue Bill. The following are key areas considered for each grant:

- Strategic goal and purpose of the grant
- Outcome statements and outputs of the grant
- Priority outcome(s) of government that the grant primarily contributes to
- Conditions of the grant (additional to what is required in the Bill)
- Criteria for allocation between municipalities
- Rationale for funding through a conditional grant
- Past performance
- The projected life of the grant
- 2015 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2016/17

The attached frameworks are not part of the Division of Revenue Bill, but are published in order to provide more information on each grant to parliament, legislatures, municipal councils, officials in all three spheres of government and the public. Once the 2015 Division of Revenue Bill is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2015/16 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS GRANTS

Municipal Disaster Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance and Traditional Affairs (Vote 4)
Strategic goal	<ul style="list-style-type: none"> To enable a timely response to immediate needs after a disaster has occurred
Grant purpose	<ul style="list-style-type: none"> To provide for the immediate release of funds for disaster response
Outcome statements	<ul style="list-style-type: none"> Immediate consequences of disasters are mitigated
Outputs	<ul style="list-style-type: none"> Emergency repair of critical infrastructure Emergency provision of goods and services
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Applications for funding from this grant use the National Disaster Management Centre (NDMC) Disaster Grant Guideline which includes the following: <ul style="list-style-type: none"> copy of the classification letter in terms of the Disaster Management Act copy of declaration of disaster in terms of the Disaster Management Act number of people affected and the extent of damages and losses sectors affected total funds required for disaster response resources (both financial and in-kind) allocated by the municipality to respond and mitigate the effects of the disaster resources (both financial and in-kind) committed by other role players, including provinces, national departments and Non-Government Organisations funding contribution request from the Municipal Disaster Grant (MDG) costed project and implementation plan over a six month period on how the funds will be spent An initial application for a funding contribution from the MDG may be based on the initial disaster assessment and verification (draft versions of the supporting documentation required above may be accepted for the initial application). The further final application/s must be based on the final disaster assessment and verification
Conditions	<ul style="list-style-type: none"> A copy of the classification letter and declaration of disaster in terms of the Disaster Management Act must be submitted to the NDMC Funds from this grant must be used to support the provision of basic municipal services, including: <ul style="list-style-type: none"> Provide temporary shelter in the event that the Department of Human Settlements is unable to make provision for immediate housing, with evidence that they are unable to make such provisions Provide humanitarian relief, in the event that the Department of Social Development is unable to make provision, with evidence that they are unable to make such provisions Municipalities must fund a portion of the costs of the disaster response and recovery from their own budget or prove that they are not able to do so Funds from this grant may be utilised to reimburse a municipality for expenditure incurred which could not be accommodated within the municipality's own budget Funds from this grant must be utilised within 6 calendar months following the date of the transfer of the funds
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated based on declared municipal disasters and reports of immediate disaster relief needs. Funding may however be released in tranches, with the first tranche being based on an initial assessment and verification of the immediate disaster relief needs
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This grant caters for response, recovery and relief for unforeseeable and unavoidable disasters
Past performance	<p>2013/14 audited financial outcomes R346.5 million was allocated and R143.8 million was transferred to municipalities in Limpopo, KwaZulu-Natal and Western Cape provinces</p> <p>2013/2014 service delivery performance</p> <ul style="list-style-type: none"> Following the occurrence of floods, emergency relief was provided as follows: <ul style="list-style-type: none"> Breede Valley Local Municipality (LM): repair of water pipelines, access to Stettynskloof dam, and water infrastructure repairs City of Cape Town: repair of damaged irrigation furrows, construction of gabion walls, construction of road cut offs Vhembe District Municipality (DM): repair of pipes, sewer and water pump stations and electrical panel boards Mutale LM: repair of roads and bridges Thulamela LM: repair of bridges Makhado LM: repair of roads and bridges Umzumbe LM: repair of access roads and low level bridges Ugu DM: repair of roads and bridges Vulamehlo LM: repair of roads, and bridges Umdoni LM: repair of a bridge Emnambithi LM: repair of culverts, pipes and low water crossings culverts Okhahlamba LM: repair of causeways, bridges and roads eThekweni Metro: repair of roads and bridges
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the medium term, and will be subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R261 million, 2016/17: R270 million, and 2017/18: R300 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury

Municipal Disaster Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of National Disaster Management Centre</p> <ul style="list-style-type: none"> • Advise municipalities and Provincial Disaster Management Centres (PDMCs) about the existence of the grant and how grant funding can be applied for • Circulate an updated guideline on the items that will qualify for funding through this grant by end June 2015. This guideline must be consistent with the disaster response funding request template agreed to with the National Treasury • Establish procedures for funding items already purchased by municipalities • Conduct a preliminary cost verification and submit an initial request to the National Treasury within 14 days following the receipt of the written initial funding request and submission from the PDMC and municipality • Together with the affected municipalities and provinces, conduct assessments of disaster impacts to verify the final applications for funding within 35 days following the receipt of written funding requests and as per the requirements of the Disaster Management Act • Seek approval from National Treasury for the final disbursement of funds to municipalities within 35 days following the receipt of the written final funding request and submission of the preliminary report from the PDMC and municipality • Confirm what support national sector departments are providing and ensure there is no duplication of support • Provide written advice on the timing of disbursements to municipalities and transfer these funds to municipalities within five days of drawing the funds from the National Revenue Fund • Notify the relevant municipality of a transfer at least one day before transfer and transfer the funds no later than five days after notification • Notify the relevant PDMC copying relevant sector departments and the provincial treasury of a transfer and reason for transfer within 5 days of the transfer of funds to municipalities • Build relationships and establish the necessary communication channels with relevant national and provincial departments to ensure the country has a coordinated approach to disaster response • Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant • Provide a performance report to National Treasury in the disaster allocation monitoring template agreed to with the National Treasury within 45 days of the end of the quarter in which funds are spent <p>Responsibilities of Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> • Advise municipalities and relevant provincial sector departments about the existence of the grant and how grant funding can be applied for • Together with the affected municipalities, conduct initial assessments of disaster impacts to verify the applications for initial funding within 14 days following the occurrence of the incident • Together with NDMC and the affected municipalities, conduct assessments of disaster impacts to verify the final applications for funding within 35 days following the occurrence of the incident, and as per the requirements of the Disaster Management Act • Assist municipalities with requests for disaster funding, and monitor projects and provide reports to the NDMC and provincial treasury • Provide a performance report which includes evidence, on progress implementation of the projects to the NDMC within 30 days of the end of the quarter in which funds are spent <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Cooperate with the NDMC, PDMC and provincial and national sector departments to conduct damage assessment and cost verification • Submit initial request for funding within 14 days following the declaration of a disaster • Initiate requests for disaster funding and monitor projects • Municipalities must follow emergency procurement processes when spending the grant funds • Provide a performance report which includes evidence, including on progress with implementation of the projects to the NDMC within 30 days of the end of the quarter in which funds are spent
Process for approval of 2016 MTEF allocations	<ul style="list-style-type: none"> • Not applicable

Municipal Disaster Recovery Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance and Traditional Affairs (Vote 4)
Strategic goal	<ul style="list-style-type: none"> To restore functionality of municipal infrastructure following a disaster
Grant purpose	<ul style="list-style-type: none"> To rehabilitate and reconstruct disaster damaged municipal infrastructure
Outcome statements	<ul style="list-style-type: none"> Disaster damaged municipal infrastructure rehabilitated and reconstructed
Outputs	<ul style="list-style-type: none"> 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: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses the template/framework 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 order of priority timeframes within which the projects will be implemented estimated costs of projects the implementation of disaster risk reduction measures for these projects to prevent reoccurrence number of households to benefit from the projects and estimated jobs to be created
Conditions	<ul style="list-style-type: none"> A business plan and project implementation plan signed by the Accounting Officer (AO) and aligned to the post disaster verification assessment report must be submitted to the NDMC Disaster reconstruction and rehabilitation funds must only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans Quarterly financial and non-financial performance reports on disaster allocations must be submitted to the Provincial Disaster Management Centre (PDMC) and the NDMC Transfers will only be made if municipalities have submitted financial and non-financial reports required in terms of the Division of Revenue Act for this financial year and the previous financial year (if funds for disaster recovery were allocated in that year)
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 a six month time frame 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>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> R118.3 million was allocated, and the R118.3 million (100 per cent of the allocation) was transferred to municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> Following the disasters, the grant was provided for the repair and replacement of infrastructure in the following municipalities: <ul style="list-style-type: none"> Eden District Municipality: repaired damaged roads and bridges within the municipality Langeberg Local Municipality (LM): repaired damaged roads and bridges within the municipality Maruleng LM: repaired damaged roads and bridges within the municipality Umvoti LM: repaired damaged community halls within the municipality Nelson Mandela Bay Metropolitan Municipality: repaired damaged roads and bridges, storm water drainage systems, water pumps, and sewer pumps, electrical infrastructure and damaged weirs Ndlambe LM: repaired the damaged sewer pump stations, electrical infrastructure and water pumps Kouga LM: repaired damaged roads and bridges within the municipality Koukama LM: repaired the damaged storm water drainage systems, roads and bridges within the municipality Makana LM: repaired damaged roads and bridges, water pumps, sewer pumps and storm water drainage systems Sunday's River Valley LM: repaired damaged roads, sewer pump stations and storm water drainage systems within the municipality
Projected life	<ul style="list-style-type: none"> The grant is projected to end in 2016/7 but will be subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R189 million, and 2016/17: R140 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 officer and receiving officer	<p>Responsibilities of National Disaster Management Centre</p> <ul style="list-style-type: none"> Advise municipalities about the existence of the grant and its conditions Provide municipalities with a final post-disaster verification assessment report that includes a project list and projected costs for all infrastructure to be reconstructed or rehabilitated. This report must be provided via the PDMC Advise relevant national and provincial sector departments of the projects funded through this grant and update them quarterly on progress with the projects Together with the affected municipalities and provinces, monitor the implementation of projects Make payments to municipalities in accordance with the approved payment schedule <p>Responsibilities of Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> Advise municipalities about the existence of the grant and its conditions Assist the municipalities with the rapid assessment reports to be submitted to NDMC Provide support to municipalities with regard to the final post-disaster verification report Ensure that the final post-disaster verification report is signed-off by both the accounting officer within the municipalities and the provincial department Provide a final post-disaster verification report to municipalities Assist municipalities with business plans incorporating the implementation plan and disaster risk reduction measures for disaster funding

Municipal Disaster Recovery Grant	
	<ul style="list-style-type: none"> • Conduct on-site visits to monitor the implementation of projects and provide reports of progress to the PDMC and NDMC • Provide expenditure and performance reports to the NDMC within 30 days of the end of the quarter in which funds are spent
	<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 which include evidence to the NDMC through the relevant PDMC • Utilise the funds in line with the approved post-disaster verification assessment report • Provide financial and non-financial performance report to the NDMC and relevant PDMC within 30 days of the end of the quarter in which funds are spent
Process for approval of 2016 MTEF allocations	<ul style="list-style-type: none"> • Not applicable

Municipal Demarcation Transition Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance and Traditional Affairs (Vote 4)
Strategic Goal	<ul style="list-style-type: none"> Facilitate the successful preparation for type C boundary changes (defined as involving amalgamations and category changes in terms of the Municipal Demarcation Board classifications) due to come into effect at the time of the 2016 local government elections
Grant purpose	<ul style="list-style-type: none"> To subsidise the additional institutional and administrative costs arising from type C boundary changes due to come into effect at the time of the 2016 local government elections
Outcome statements	<ul style="list-style-type: none"> Municipalities affected by major boundary changes have administrations that are responsive, accountable, effective, efficient and developmental
Outputs	<ul style="list-style-type: none"> Number of policies, systems, procedures and plans prepared to facilitate the smooth transition to a new municipality in 2016
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> To receive transfers from this grant, municipalities must participate in a Change Management Committee (CMC) with the other municipality/municipalities impacted by the same boundary change. This committee must include participation from the provincial department responsible for local government and must coordinate preparations so that there are no duplications in projects funded from the grant Funds may only be used in terms of a business plan approved by the national Department of Cooperative Governance (DCoG) The grant may only be used to fund the following administrative costs to the extent that additional costs arise as a result of the impact of major boundary changes: <ul style="list-style-type: none"> consolidation of records management between affected municipalities development of new organograms (including work study, job evaluation, job description) preparation of a new set of by-laws communication and public participation directly related to the mergers rationalisation and alignment of municipal policies alignment of geographic information system data alignment of valuation rolls tariff restructuring debt reconciliation information technology system amalgamation (infrastructure and systems) merging asset registers Before purchasing any professional services or new or upgraded systems, the terms of reference must be agreed by the CMC Any systems purchased or upgraded with funding from this grant must comply with the relevant requirements set by national government, including being compatible with the new municipal Standard Chart of Accounts
Allocation criteria	<ul style="list-style-type: none"> Funds are only allocated to Gauteng and KwaZulu-Natal municipalities affected by mergers gazetted by the Municipal Demarcation Board in gazettes 229 of 8 August 2013, and 1003 of 8 August 2013 Funds are divided equally among the areas affected by major boundary changes due to come into effect at the time of the 2016 local government elections
Reason not incorporated in equitable share	<ul style="list-style-type: none"> The grant funds the costs associated with major boundary changes due to come into effect at the time of the 2016 local government elections. These changes only affect municipalities in Gauteng and KwaZulu-Natal provinces and funding is only provided for three years
Past performance	<p>2013/14 audited financial performance</p> <ul style="list-style-type: none"> New grant introduced in 2015/16 <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> New grant introduced in 2015/16
Projected life	<ul style="list-style-type: none"> This is a three year grant to assist municipalities with the 2016 type C boundary changes and will end in 2017/18
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R39 million, 2016/17: R50 million, and 2017/18: R50 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury

Municipal Demarcation Transition Grant	
Responsibilities of the transferring officer and receiving officer	Responsibilities of national department <ul style="list-style-type: none"> • Assess business plans in collaboration with provincial departments • Approve business plans before the start of the municipal financial year • Share with provincial departments all plans and reports submitted • Submit quarterly progress reports to the National Treasury
	Responsibilities of provincial departments responsible for local government <ul style="list-style-type: none"> • Monitor and coordinate the resources allocated by municipalities, provinces and national government to ensure there are no duplications and that the grant is only used for additional costs • Assist the national department to assess municipalities' business plans • Assist affected municipalities to jointly plan and manage the process through the CMC • Assist the national department to coordinate reporting from municipalities • Submit quarterly progress reports to the national department
	Responsibilities of municipalities <ul style="list-style-type: none"> • Submit draft business plans by 31 March 2015 • Submit final business plans by 29 May 2015 • Report to the national department on a monthly and quarterly basis • Participate in the CMC
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • CMC must agree on proposed business plan • Draft business plans to be submitted to the national DCoG by 15 October 2015 • Final business plans must be submitted by 20 November 2015

Municipal Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance and Traditional Affairs (Vote 4)
Strategic Goal	<ul style="list-style-type: none"> Subsidise the capital costs of providing basic services to poor households
Grant purpose	<ul style="list-style-type: none"> To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities
Outcome statements	<ul style="list-style-type: none"> Improved access to basic services infrastructure for poor communities
Outputs	<ul style="list-style-type: none"> Number of additional poor households receiving basic water and sanitation services Number of additional kilometres of municipal roads developed Number of additional poor households serviced by central collection points, transfer stations, recycling facilities and solid waste disposal sites Number of additional poor households serviced by sport and recreation facilities Number of additional poor households serviced by street/community lighting Number of additional poor households serviced by public facilities Number of work opportunities and Full-Time Equivalents (FTEs) created using Expanded Public Works Programme (EPWP) guidelines for above outputs
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> As per the Municipal Infrastructure Grant (MIG) registration form as agreed with sector departments
Conditions	<ul style="list-style-type: none"> Receiving officers must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the Integrated Development Plan (IDP), Chapter 5 of the Municipal Systems Act, 2000 and a three year capital plan Prioritise basic residential infrastructure for water, sanitation, roads, refuse removal, streets lighting, connector and internal bulk infrastructure, and other municipal infrastructure like sport and recreation and community facilities in line with the MIG 2004 policy framework and/or other government sector policies Municipalities with bucket sanitation backlogs must prioritise the eradication of these backlogs. Bucket eradication projects must be planned in conjunction with provinces and national government to ensure alignment of projects implemented by each sphere. Transfers may be withheld or stopped if a municipality with substantial bucket sanitation backlogs does not comply with this condition Funds can be used for new or upgrading of municipal bulk, connector and reticulation infrastructure to support the formalisation of settlements subject to compliance with sector policies Funds can be used for refurbishment of municipal infrastructure that has been properly maintained over its lifespan subject to submission of refurbishment project plans, confirmation by the relevant sector department of the state of the infrastructure and an operational and maintenance plan Municipalities must spend at least 60 per cent of their previous transfers and comply with the reporting provisions in the Division of Revenue Act before the next transfers are made Municipalities must use EPWP guidelines to facilitate labour-intensive construction methods Municipalities must comply with sector norms, standards and legislation as confirmed by sectors through the project registration process A municipality receiving the MIG must table a three year capital budget as part of its budget for the 2015/16 financial year in accordance with the Municipal Finance Management Act, unless exempted in terms of that Act The MIG must be transferred directly to a category B or C municipality that has the powers and functions referred to in section 84 of the Municipal Structures Act, to enable the municipality to provide basic municipal infrastructure (to category C municipalities only as it relates to water and sanitation) A maximum of 5 per cent of a municipality's MIG allocation may be used for project management costs directly related to infrastructure projects At least 95 per cent of a municipality's MIG allocation must be appropriated on the municipality's capital budget The P-component of the MIG formula (described in part 5 of Annexure W1 to the Division of Revenue Bill) amounts to 15 per cent of the MIG and must be used for municipal sport facilities only
Allocation criteria	<ul style="list-style-type: none"> Part 5 of Annexure W1 to the Division of Revenue Bill sets out the MIG formula in detail, showing how the formula incorporates backlog and poverty data
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> The MIG programme was allocated R14.3 billion in the 2013/14 financial year. An amount of R14.2 billion (99 per cent) was transferred to municipalities

Municipal Infrastructure Grant	
	<p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • Additional poor households receiving: <ul style="list-style-type: none"> ○ water: 209 879 ○ sanitation: 98 376 ○ street/community lighting: 241 909 • Number of additional kilometres of municipal roads developed: 1 303 • Number of additional solid waste sites: 9 • Number of additional sport and recreation facilities servicing poor communities developed: 35 • Number of public facilities servicing the poor developed: 78 • Number of work opportunities created using EPWP guidelines for above outputs: 167 531
Projected life	<ul style="list-style-type: none"> • The programme will continue up to 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R15 billion, 2016/17: R15.5 billion, and 2017/18: R16.4 billion
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 officer and receiving officer	<p>Responsibilities of national departments</p> <ul style="list-style-type: none"> • The Department of Cooperative Governance (DCoG) administers the MIG and co-ordinates its activities with all stakeholders, through appropriate structures • DCoG must monitor expenditure and non-financial performance • DCoG is responsible for the coordination of overall programme implementation • Each national sector department will be expected to: <ul style="list-style-type: none"> ○ review projects to be funded from the MIG in terms of their sector norms and standards ○ confirm the current state of, and maintenance history of, infrastructure where municipalities have applied for refurbishment funding ○ participate in district appraisal and progress committee meetings ○ fulfil a monitoring role on the relevant sector outputs in collaboration with provinces and districts municipalities • Department of Water and Sanitation: <ul style="list-style-type: none"> ○ support and monitor municipalities to prepare and implement Water Services Development Plans (WSDPs) ○ monitor and oversee progress on water and sanitation projects implemented through the MIG ○ synchronise between the MIG programme, Regional Bulk Infrastructure Grant, Water Services Operating subsidy Grant and the Municipal Water Infrastructure Grant • Department of Human Settlements to support and monitor municipalities to prepare and implement bulk, connector and reticulation projects in support of the housing programme • Department of Public Works: <ul style="list-style-type: none"> ○ monitor compliance with the EPWP guidelines and advise municipalities on the use of labour intensive processes, systems, techniques and approaches ○ support municipalities with planning for public facilities in terms of EPWP ○ monitor the number of work opportunities and FTEs created on MIG funded projects that contribute towards EPWP ○ ensure that municipalities register their EPWP projects on the EPWP reporting system and monitor compliance to norms and standards applicable to this sector • Department of Environmental Affairs: support municipalities with planning and implementation of solid waste management and monitor their performance and compliance with conditions applicable to this sector • Department of Energy: support municipalities with planning and implementation of public lighting and monitor municipalities' performance and compliance with conditions applicable to this sector • Sport and Recreation South Africa: support municipalities with planning and implementation of municipal sport and recreation facilities and monitor municipalities' performance and compliance with conditions applicable to this sector • Department of Transport: support municipalities with planning and implementation of municipal roads and monitor municipalities' performance and compliance with conditions applicable to this sector <p>Responsibilities of provincial departments responsible for local government</p> <ul style="list-style-type: none"> • Coordinate municipal reports and submit to the national department • Coordinate district appraisal and progress committee meetings ensuring that national DCoG and relevant sector departments are invited • Issue registration letters for projects approved by the district appraisal and progress committee to municipalities, copying DCoG • Coordinate technical support to municipalities • Monitor project implementation in collaboration with sectors and submit site visit reports to DCoG • Monitor compliance with provincial legislation and alignment to Provincial Growth and Development

Municipal Infrastructure Grant	
	<p>Strategies through project registration</p> <ul style="list-style-type: none"> • Monitor performance of municipal Project Management Units and recommend relevant sanctions for under-performance to DCoG <p>Responsibilities of provincial sector departments</p> <p>Each provincial sector department must fulfil a sectoral monitoring and guidance role on relevant sectoral outputs</p>
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the IDP and three year capital plan • Municipalities must monitor each project and ensure that MIG funds are spent for the intended purpose as registered under the MIG-MIS • The municipality must report monthly, quarterly and annually in the prescribed formats, signed by the municipal manager or the delegated official to national government via the provinces
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Municipalities must submit all technical reports to the sector departments responsible for water, sanitation, solid waste, sport and recreation, roads and transport by 31 July 2015, for all projects to be implemented in 2016/17 • The responsible sector department must evaluate reports and provide final recommendations to the municipality by 30 September 2015 • The municipality must submit all project registration forms by 1 October 2015, for the projects to be implemented in 2016/17, to the provincial department responsible for local government • The provincial departments must provide final recommendations to municipalities by 27 November 2015 • Municipalities must submit to DCOG by 29 January 2016, detailed project implementation plans for all the projects to be implemented in the 2016/17 and 2017/18 financial years • Such plans should include timelines regarding project designs, initiation of procurement, and Environmental Impact Assessment (EIA) and/or relevant permit/license approvals in the prescribed format

Municipal Systems Improvement Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance and Traditional Affairs (Vote 4)
Strategic goal	<ul style="list-style-type: none"> An efficient and developmental sphere of government capable of delivering services to local communities
Grant purpose	<ul style="list-style-type: none"> To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation
Outcome statements	<ul style="list-style-type: none"> Responsive, accountable, effective and efficient local government
Outputs	<ul style="list-style-type: none"> Number of municipalities with improved systems to enable year-on-year improvements in audit outcomes Number of municipalities with information systems that support effective service delivery and/or implementation of the municipal Standard Chart of Accounts (SCOA) Number of municipalities with strengthened administrative systems enabling effective implementation of the ward participation system
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Municipalities must submit to the Department of Cooperative Governance (DCoG) signed activity plans in the prescribed format with detailed budgets and timeframes for the implementation of prioritised measurable outputs, in line with the outputs of this grant Only projects from the activity plans approved by DCoG will be funded from this grant
Allocation criteria	<ul style="list-style-type: none"> Equal allocations are made to all non-metropolitan municipalities
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The grant is conditional and aimed at building the capacity of municipalities to implement sound institutional and governance systems required in terms of Local Government: Municipal Systems Act
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> Allocated R240.3 million, and transferred R240.3 million to 270 municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> 240 municipalities used grant funds for information systems that support effective service delivery 186 municipalities were supported to strengthen administrative systems enabling effective implementation of the ward participation system 147 municipalities were supported to develop by-laws, policies and systems that support the implementation of local government legislation
Projected life	<ul style="list-style-type: none"> The grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R251 million, 2016/17: R259 million, and 2017/18: R279 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 officer and receiving officer	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> Submitting monthly, quarterly and annual performance reports to National Treasury Monitoring expenditure on the grant and analysis of monthly expenditure reports from municipalities and where necessary engaging provinces and/or municipalities Assessing and approving activity plans All activity plans that include activities related to audit outcomes and/or SCOA must be shared with National Treasury for comments before they can be approved <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Comply with the duties of the receiving officer as per the Division of Revenue Act Submit monthly, quarterly and annual performance reports to DCoG as per the Division of Revenue Act
Process for approval of 2016/17 allocations	<ul style="list-style-type: none"> Activity plan format guidelines, criteria, outputs and reporting templates sent by DCoG to municipalities by 29 February 2016 Submission of business/activity plans by municipalities by 30 March 2016

ENERGY GRANTS

Energy Efficiency and Demand Side Management Grant	
Transferring department	<ul style="list-style-type: none"> Energy (Vote 26)
Strategic goal	<ul style="list-style-type: none"> To reduce electricity consumption by promoting energy efficient practices
Grant purpose	<ul style="list-style-type: none"> To provide subsidies to municipalities to implement Energy Efficiency and Demand Side Management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency
Outcomes statements	<ul style="list-style-type: none"> Reduced demand for electricity Increased awareness of energy saving Skills development in energy efficiency Energy management capability enhanced
Outputs	<ul style="list-style-type: none"> Amount of electricity saved in MWh Number of energy efficient street lights retrofitted Number of energy efficient traffic lights retrofitted Number of buildings retrofitted Number of jobs created Number of inefficient technologies in street, traffic and building lighting, and water services infrastructure retrofitted with energy efficient technologies
Details contained in the business plans	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government Outcome 10: Protect and enhance our environmental assets and natural resources
Conditions	<ul style="list-style-type: none"> Funds can only be used to implement electricity savings projects in municipal infrastructure The focus for implementation of Energy Efficiency (EE) interventions shall be limited to buildings, streetlights, traffic lights, and waste water treatment and pump stations Municipalities must respond to the Request For Proposal (RFP) issued by the Department of Energy (DoE) in the format provided Sign and abide by a contractual agreement with the DoE
Allocation criteria	<ul style="list-style-type: none"> Because of limited budget, the following criteria shall be used for selection of municipalities: <ul style="list-style-type: none"> municipalities that have responded to the RFP as issued by the DoE and have shown a higher electricity savings potential in their proposal municipalities that have shown readiness to implement past performance if a municipality has previously participated in the programme performance on other electrification programmes funded by the DoE capacity to provide electricity reticulation
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific conditional transfer in support of the EEDSM programme
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> R180.7 million was allocated and transferred to municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> A total electricity saving of 15.96 GWh was reported against the projected savings (baseline) of 39.23GWh in line with the monitoring and evaluation system. The reported savings have not been verified in terms of the measuring and verification protocol
Projected life	<ul style="list-style-type: none"> The grant will continue until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R178 million, 2016/17: R186 million, and 2017/18: R203 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 officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Monitoring and evaluation of the EEDSM programme Provide municipalities with guidance through capacity building workshops on best practices and pricing for EEDSM projects Communicate to municipalities the process and requirements for obtaining EEDSM grant funds in 2016/17 Undertake the measuring and verification for all grant funded projects <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Submit the proposal as per the RFP issued by DoE Implement the EEDSM programme as per the framework and contractual agreement Submit to the DoE the monthly and quarterly reports approved by the municipal manager
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> Allocations for 2016/17 will be based on the proposals submitted in line with the RFP issued by the DoE Proposals must be submitted by 30 October 2015 and will be evaluated against the criteria as set out by the DoE in the framework

Integrated National Electrification Programme (Municipal) Grant	
Transferring department	<ul style="list-style-type: none"> Energy (Vote 26)
Strategic goal	<ul style="list-style-type: none"> To reduce the backlogs of un-electrified households and to fund bulk infrastructure to ensure constant supply of electricity
Grant purpose	<ul style="list-style-type: none"> To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure
Outcome statements	<ul style="list-style-type: none"> A reduction in household electrification backlogs Universal access to electricity and improvement in distribution infrastructure reliability
Outputs	<ul style="list-style-type: none"> The number of connections to households per annum The number of bulk infrastructure installations Implementation of labour intensive methods on electrification projects and the number of jobs created
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 Outcome 9: Responsive, accountable, effective and efficient local government
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"> Adhere to labour intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines for activities such as trenching, planting of poles, etc Register electrification master plans for bulk infrastructure with INEP and abide by the advice or guidance of the Department of Energy (DoE) regarding the central planning and co-ordination for such bulk infrastructure Use INEP funds for the refurbishment of critical infrastructure, only upon submission of a project plan which must be approved by DoE Utilise own funding if subsidy is insufficient (top-up funding must be available) Minimum size of supply of 1.2 KVA, After Diversity Maximum Demand (ADMD), 20 Amp per household connection, in line with the Suite of Supply Policy Municipalities may utilise up to R1.5 million of the total allocation for service fees (pre-engineering and Eskom connection fee) if approved by the DoE in their business plans
Allocation criteria	<ul style="list-style-type: none"> Applications from licensed municipal distributors based on: <ul style="list-style-type: none"> high backlogs rural bias priority 27 district municipalities number of occupied households for connection projects past performance integration with other programmes such as Urban Renewal Programme, other infrastructure programmes like Breaking New Ground (BNG) etc the financial, technical and staff capabilities to distribute electricity and expand and maintain networks consultation with communities in terms of the Integrated Development Plan (IDP) process ensuring that universal access objectives are fast tracked new and upgrading of bulk infrastructure projects related to (i) future electrification; and, (ii) where distribution network reliability adversely impacts economic activity infrastructure which is in a state of disrepair, unsafe and which prohibits further connections informal settlements where service delivery has been prioritised
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific conditional capital transfer for electrification of households
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> R1.6 billion was allocated and transferred to municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> 89 771 connections were achieved and 2 substations and 57 km of MV lines were completed
Projected life	<ul style="list-style-type: none"> Grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R2 billion, 2016/17: R2 billion, and 2017/18: R2.2 billion
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 officer and receiving officer	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> Agree with municipalities on outputs and targets Continuously monitor implementation and provide support to municipalities Verify reports from municipalities <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Ensure that projects are implemented in line with what is reflected in the IDP of the municipality Report correctly on the management of this grant
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> Application forms are sent to municipalities and evaluation of all applications and business plan proposals received from municipalities are done by 28 August 2015

Integrated National Electrification Programme (Eskom) Grant	
Transferring department	<ul style="list-style-type: none"> • Energy (Vote 26)
Strategic goal	<ul style="list-style-type: none"> • To reduce the backlogs of un-electrified households and fund bulk infrastructure to ensure constant supply of electricity
Grant purpose	<ul style="list-style-type: none"> • To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply in Eskom licenced areas
Outcome statements	<ul style="list-style-type: none"> • A reduction in household and clinic electrification backlogs • Universal access to electricity and improvement in distribution infrastructure reliability
Outputs	<ul style="list-style-type: none"> • The number of connections to households and clinics per annum • The number of bulk infrastructure installations • Implementation of labour intensive methods on electrification projects and the number of jobs created
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 • Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • Plans need to have undergone pre-engineering and project feasibility approval • Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) and supporting letters must be provided to demonstrate that municipalities are in agreement with projects to be undertaken • Eskom to comply with requirements to provide approved bulk project in their business plans
Allocation criteria	<ul style="list-style-type: none"> • Allocations to Eskom are made on behalf of municipalities based on applications from Eskom for non-licensed municipalities according to the following criteria: <ul style="list-style-type: none"> ○ high backlogs ○ rural bias ○ integration with other programmes such as Urban Renewal Programme, Integrated Sustainable Rural Development and other infrastructure programmes like Breaking New Ground (BNG) etc ○ ability to provide top-up or seed capital for project finance ○ effective credit control policies ○ cost of project is contained in and aligned with the IDP for a particular municipality
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific conditional capital transfer for electrification of households and clinics
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • The grant was allocated R2.1 billion, and the entire amount was transferred to Eskom, of which R2.1 billion (100 per cent) was spent by the end of the financial year <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 202 943 connections were completed at the end of the department's financial year
Projected life	<ul style="list-style-type: none"> • The grant will continue until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R3.6 billion, 2016/17: R3.8 billion and 2017/18: R3.9 billion
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 officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree with Eskom on outputs and targets • Continuously monitor implementation • Provide central coordination for bulk infrastructure • Approve submissions for refurbishment of critical infrastructure <p>Responsibilities of Eskom</p> <ul style="list-style-type: none"> • Minimum size of supply of 2.5 KVA, After Diversity Maximum Demand, 20 Amp per household connection and applicable supply for clinic connections, in line with the Suite of Supply Policy • Report to Department of Energy and National Treasury on monthly and quarterly expenditure for the grant
Process for approval of 2016 MTEF allocations	<ul style="list-style-type: none"> • Ensure that all planned projects are in line with the municipal IDP and priority list • Ensure that planned projects are feasible and went through the pre-engineering process

HUMAN SETTLEMENTS GRANTS

Municipal Human Settlements Capacity Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 38)
Strategic goal	<ul style="list-style-type: none"> To ensure effective management of human settlements programmes at the local government level in line with national priorities
Grant purpose	<ul style="list-style-type: none"> To build capacity in municipalities to deliver and subsidise the operational costs of administering human settlements programmes
Outcome statements	<ul style="list-style-type: none"> Human settlements programmes are administered by skilled personnel to ensure optimal service delivery Efficient management information systems are in place to ensure that beneficiary management is effective and that units and services delivered are appropriately recorded and accounted for
Outputs	<ul style="list-style-type: none"> Capacity built in municipalities to deal with beneficiary management, feasibility studies, pre planning, detailed planning and design, project management and monitoring Capacity building plans in place and linked to identified and packaged projects as per provincial and national priorities
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 Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Output indicators Outcome indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Municipalities to submit capacity building business plans on how the grant is to be utilised The business plan must reflect the municipality's plans to develop capacity to deal with beneficiary management, feasibility studies, pre-planning, detailed planning and design, project management and monitoring The capacity building plans must be aligned to the human settlements master spatial planning framework, catalytic mega projects and national priorities as set out in outcome 8 of the 2014/15 – 2018/19 Medium Term Strategic Framework Municipal plans or catalytic project/s must be aligned and reflect conformity to the Master Spatial Plan and the National Department Plan, particularly chapter 8 Funds must be spent in accordance with the approved business plans The flow of funds is subject to submission of a business plan that will be approved by the national Department of Human Settlements (DHS) Municipalities should utilise the grant to build capacity for the development of human settlements and such capacity should be demonstrated by expenditure on the Human Settlements Development Grant, Urban Settlements Development Grant and other associated budgets
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated to eight metropolitan municipalities Allocations are made up of a base allocation and a weighted share based on the number of households living in the municipality with a monthly income of less than R3 501 per month
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> To facilitate the building of capacity in metropolitan municipalities to ensure functionality to deliver effective services in the human settlements sector
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> New grant <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> New grant
Projected life	<ul style="list-style-type: none"> The grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R100 million, 2016/17: R100 million, and 2017/18: R115 million
Payment schedule	<ul style="list-style-type: none"> Transfers will be made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Approve the national and municipal business plans and compliance certificates after consultation with relevant provincial departments Provide capacity development support to municipalities Undertake structured and other visits to municipalities as is necessary Facilitate regular interactions between national, provincial and municipal departments of human settlements Submit approved 2015/16 municipal and national plan to National Treasury by 30 June 2015 Submit an annual evaluation report for 2014/15 on the performance of the grant to National Treasury by 30 October 2015 Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter Establish national level institutional capacity support for municipalities

Municipal Human Settlements Capacity Grant	
	<p>Responsibilities of the municipalities</p> <ul style="list-style-type: none"> • Submit draft municipal business plans and compliance certificates for 2015/16 allocations to DHS and relevant provincial departments by 13 March 2015 • Submit final municipal business plans including cash flow projections for 2015/16 to DHS and relevant provincial departments by 15 May 2015 • Submit quarterly performance reports to DHS and relevant provincial departments • Submit 2014/15 annual evaluation reports on performance to DHS and relevant provincial departments by 28 August 2015 • Ensure effective and efficient utilisation of the grant • The monthly Division of Revenue Act expenditure and quarterly reports must be signed by the Municipal Manager
Process for approval of the 2016/17 business plans	<ul style="list-style-type: none"> • First draft municipal business plans for 2016/17 financial year to be submitted to the national department by 11 March 2016 • Submit final municipal business plans with cash flow projections and compliance certificates for the 2016/17 financial year to the national department and the relevant provincial department by 13 May 2015

Urban Settlements Development Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 38)
Strategic goal	<ul style="list-style-type: none"> To assist metropolitan municipalities to improve household access to basic services through the provision of bulk and reticulation infrastructure, and urban land production to support broader urban development and spatial integration by supplementing the budgets of metropolitan municipalities
Grant purpose	<ul style="list-style-type: none"> Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households
Outcome statements	<ul style="list-style-type: none"> The integrated sustainable human settlements and improved quality of household life outcomes to be realised are: <ul style="list-style-type: none"> increased household access to basic services and related infrastructure increased supply of well-located land for human settlements development through a reduction in the real average cost of urban land increased access to public and socio-economic amenities support transit oriented development projects bridging the gap for infrastructure provision within mixed income and mixed use developments to support the leveraging of private and non-state sector grants and funding in support of catalytic projects improving the sustainable livelihoods of poor households within the municipal jurisdiction
Outputs	<ul style="list-style-type: none"> The following outputs should be funded by the grant to support the overall built environment: <ul style="list-style-type: none"> increase in bulk infrastructure capacity increase in basic services to poor households, specifically in informal settlements, including water, sanitation, electricity, refuse removal and transport access increase in land provision for informal settlement upgrading, subsidy housing, or mixed use development in support of catalytic projects increase in access to socio-economic amenities improved dwelling unit densities within an improved spatial integration framework
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 Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in business plan	<ul style="list-style-type: none"> This grant uses the Urban Settlements Development Grant (USDG) performance matrix, that is consistent with the Integrated Development Plan (IDP), including the Human Settlements Chapter of the IDP, and the Service Delivery and Budget Implementation Plans (SDBIPs) of the receiving municipalities
Conditions	<ul style="list-style-type: none"> A minimum of 50 per cent of the USDG allocation must be spent on upgrading informal settlements Municipalities must prioritise projects that meet the criteria in the Human Settlements Master Spatial Plan (HSMSP) and/or are located in the Built Environment Performance Plan (BEPP) integration zones The flow of the first instalment is subject to: <ul style="list-style-type: none"> submission of 2014/15 third quarter report, signed-off by the municipal Accounting Officer (AO) including the performance matrix with non-financial information submission of a USDG performance matrix for 2015/16, that is aligned to the municipal IDP, SDBIP and municipal budget, by 29 May 2015 The flow of the second instalment will be conditional upon the: <ul style="list-style-type: none"> submission of 2014/15 fourth quarter report signed-off by the AO of the municipality submission of 2015/16 first quarter report signed-off by the AO of the municipality to the Transferring Officer (TO) and the National Treasury submission of the council approved SDBIP and IDP, the Outcome 8 delivery targets and the municipal human settlements development plan by 30 October 2015 Flow of the third instalment will be conditional upon submission and approval of signed-off second quarter report by the AO to the TO and the National Treasury Metros must prioritise at least 3 per cent of their allocation to bucket eradication programme and the upgrading of sanitation
Allocation criteria	<ul style="list-style-type: none"> The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2015 Division of Revenue Bill The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This is a supplementary capital infrastructure grant with conditions, objectives and distribution criteria (including infrastructure backlogs) aimed at improving outcomes of the application of the equitable share
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> The grant was allocated R9.1 billion, and R9.1 billion (100 per cent) was transferred to municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> Delivery performance as indicated in the performance evaluation reports for 2013/14
Projected life	<ul style="list-style-type: none"> The programme will continue until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R10.6 billion, 2016/17: R11.1 billion, and 2017/18: R11.7 billion
Payment schedule	<ul style="list-style-type: none"> Transfers will be made in accordance with a payment schedule approved by National Treasury

Urban Settlements Development Grant	
Responsibilities of transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Develop proper indicators for the outcomes and outputs • Have a structured forum to meet with municipalities on a quarterly basis • Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities • Provide support to municipalities with regards to human settlement programmes • Undertake oversight visits to municipalities as may be necessary • Facilitate strategic and spatial planning support related to human settlements development • Submit an evaluation report on the 2014/15 municipal grant to National Treasury by 30 October 2015 • Provide systems, including the Housing Subsidy System that supports the administration of the human settlements delivery process • Comply with the responsibilities of the TO outlined in the 2015 Division of Revenue Act (DoRA) • Review and approve USDG performance matrix submissions <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Submit 2014/15 evaluation reports in terms of the USDG performance matrix, as contained in SDBIP, to the TO on or before 28 August 2015 • Submit monthly financial reports to the TO • Ensure that the USDG performance matrix is consistent and aligned with national priorities and provincial human settlements plans • Comply with the terms and conditions of the receiving officer outlined in the DoRA • Submit USDG performance matrix with the relevant extracts from the SDBIP on proposed targets, outputs and outcomes in the application of the USDG in the municipality • Ensure compliance with required intergovernmental forums reporting and accountability framework for human settlements
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Municipalities must submit a comprehensive USDG performance matrix as included in the BEPP which shall include indicators and targets aligned to the IDP and SDBIP and a draft and/or approved municipal budget • Municipalities must submit their first draft of the USDG performance matrix to the TO by 13 March 2016 and the final USDG performance matrix should be submitted by 15 May 2016

NATIONAL TREASURY GRANTS

Local Government Financial Management Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 7)
Strategic goal	<ul style="list-style-type: none"> To secure sound and sustainable management of the fiscal and financial affairs of municipalities
Grant purpose	<ul style="list-style-type: none"> To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)
Outcome statements	<ul style="list-style-type: none"> Improved capacity in financial management of municipalities Improved and sustained skills development including the appointment of at least five interns per municipality supporting the implementation of financial management reforms focusing on the gaps identified in Financial Management Grant (FMG) support plans Appropriately skilled financial officers appointed in municipalities consistent with the minimum competency regulations Improvement in budget practices consistent with the budget reforms Improvement in management of revenue and expenditure, assets and liabilities Improvement in supply chain management practices Timely submission of financial statements and improved audit outcomes Improvement in municipal financial governance and oversight
Outputs	<ul style="list-style-type: none"> Number of municipal officials registered for financial management training Number of interns serving on the internship program per municipality Submission of the FMG support plans Preparation and implementation of multi-year budgets Improved submission of financial management reports Number of municipalities that reviewed or adopted a System of Delegations Improvement in Supply Chain Management (SCM) practices Number of internal audit units and audit committees established Preparation and implementation of financial recovery plans, where appropriate
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government Outcome 12: An efficient, effective and development oriented public service
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses an FMG support plan which identifies weaknesses in financial management, which is planned to be addressed through the grant allocation
Conditions	<ul style="list-style-type: none"> FMG funds can be used towards the following: <ul style="list-style-type: none"> establishment of a Budget and Treasury Office (BTO) with positions filled by appropriately qualified personnel establishment of SCM capacity, Internal Audit unit and Audit Committees at least five interns appointed over a multi-year period on-going review, revision and submission of FMG support plans to National Treasury that address weaknesses in financial management acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, Service Delivery and Budget Implementation Plans, Annual Financial Statements, annual reports and automated financial management practices including the municipal Standard Chart of Accounts review and adoption of a System of Delegations support the training of municipal officials in financial management towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007 preparation and timely submission of annual financial statements for audits support implementation of corrective actions to address audit findings in municipalities that received adverse and disclaimer opinions technical support in financial management to municipalities must include the transfer of skills to municipal officials the preparation of a financial recovery plan and the implementation thereof, where appropriate implementation of financial management reforms Ensuring timely submission of the FMG support plan consistent with the conditions of the grant Regular, timely submission of reports with completed information Expenditure must be maintained at appropriate levels
Allocation criteria	<ul style="list-style-type: none"> All municipalities benefit from allocations to augment own resources in support of implementation of the financial management reforms Priority is given to municipalities: <ul style="list-style-type: none"> with a low revenue base and weak capacity with adverse and disclaimer audit opinions
Reason not incorporated in equitable share	<ul style="list-style-type: none"> Grant provides direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA and its regulations
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> R424.8 million was allocated and R424.8 million (100 per cent) transferred to municipalities

Local Government Financial Management Grant	
	<p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • All 278 municipalities submitted FMG support plans • As at 30 June 2014, 1 296 graduate finance interns were serving on the internship program in municipalities • Additional support provided by the national department: <ul style="list-style-type: none"> ○ internship workshops to improve the programme and sustain the reforms, were concluded in six provinces (Eastern Cape, Free State, Gauteng, KwaZulu-Natal and Limpopo) • The grant supported the following outputs: <ul style="list-style-type: none"> ○ 7 753 municipal officials are registered to obtain minimum competency levels on the Municipal Finance Management Programme ○ 264 municipalities submitted their Annual Financial Statements to the Auditor-General for auditing for the 2013/14 financial year by 31 August 2014 ○ 274 municipalities had audit action plans in place to address 2012/13 audit findings ○ improvement in SCM audit findings relating to compliance with legislation ○ 276 municipalities adopted their 2013/14 budgets within the prescribed period ○ 273 municipalities prepared their 2012/13 budgets in-house ○ 195 municipalities submitted verified quarter 4 Section 71 reports ○ 270 municipalities have established websites and published reports ○ The establishment of: <ul style="list-style-type: none"> – audit committees at 275 municipalities – internal audit units at 276 municipalities – SCM units at 278 municipalities • 5 municipalities with financial problems utilised the FMG to develop a financial recovery plan
Projected life	<ul style="list-style-type: none"> • Ongoing with periodic reviews as the financial reforms are still in progress
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R452 million, 2016/17: R465 million, and 2017/18: R502 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 officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Management, monitoring and reporting of the programme • Transfer funds to municipalities in terms of the 2015 Division of Revenue Act • Undertake on-going monitoring in municipalities
	<p>Responsibilities of the municipalities</p> <ul style="list-style-type: none"> • Submit support plans consistent with conditions of the grant • Submit reports consistent with the reporting requirements in the 2015 Division of Revenue Act
Process for approval of 2016 MTEF allocations	<ul style="list-style-type: none"> • Ongoing review, revision and submission of the FMG support plans to address weaknesses in financial management • The programme is based on the FMG support plans submitted by municipalities before the start of the municipal financial year

Integrated City Development Grant	
Transferring Department	<ul style="list-style-type: none"> National Treasury (Vote 7)
Strategic goal	<ul style="list-style-type: none"> The development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities
Grant purpose	<ul style="list-style-type: none"> To provide a financial incentive for metropolitan municipalities to achieve a more compact urban spatial form through integrating and focussing their use of available infrastructure investment and regulatory instruments
Outcome statements	<ul style="list-style-type: none"> Improved spatial targeting and sequencing of public investments in the urban built environment to achieve a more compact, inclusive, productive and sustainable urban spatial form
Outputs	<ul style="list-style-type: none"> Number of infrastructure projects, including public transport, roads, water, energy, housing, land acquisition and development and other assets within their functional mandates, and within identified integration zones Number of integrated strategic/catalytic projects initiated within identified integration zones Number of authorised studies/strategies completed
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 Outcome 8: Sustainable human settlements and improved quality of household life Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Eligibility is restricted to metropolitan municipalities who must have: <ul style="list-style-type: none"> obtained a financially unqualified audit opinion from the Auditor General (AG) for the 2013/14 financial year, or finalised an audit action plan by 27 February 2015 achieved acceptable levels of capital expenditure performance (reported a variance between adjusted budgeted and actual expenditures of 35 per cent or lower to the National Treasury for the 2013/14 financial year) Municipalities have the authority to select preferred investments within their functional mandates, and within identified integration zones. Eligible expenditures include: (i) any capital expenditures within the functional mandate of the municipality within identified integration zones; (ii) authorised direct operating expenditures to produce analytical or diagnostic studies, strategy development or transaction advisory assistance related to the development or implementation of strategies for identified integration zones A municipality may apply to the Transferring Officer (TO), by no later than 31 August 2015, to utilise a maximum of 15 per cent of the total annual allocation to undertake specified planning activities within integration zones, provided that: <ul style="list-style-type: none"> (i) these conform to the list of eligible activities identified by the TO, including: <ul style="list-style-type: none"> property market empirical and diagnostic studies integrated infrastructure and spatial planning for identified integration zones investment pipeline development (excluding direct project preparation) development of infrastructure financing strategies and instruments development of policies, by-laws and systems for the administration of development charges enhanced policies and procedures for environmental and social management in infrastructure delivery (ii) the municipality can demonstrate the ability to implement these activities within the financial year The first transfer of the grant will only be released to a municipality that has submitted a council approved Built Environment Performance Plan (BEPP) in the prescribed format by 29 May 2015 that includes: (i) a pipeline of catalytic projects that has been compiled according to a prescribed format, and (ii) built environment outcomes indicators and targets due for 2015, that have been compiled according to a prescribed format The second transfer of the grant will only be released to a municipality that has submitted a narrative in accordance with a standard format providing detailed information on the catalytic projects that are in the pipeline
Allocation criteria	<ul style="list-style-type: none"> Allocations will be made to eligible metropolitan municipalities on a population-weighted basis in order to account for the relatively greater planning complexity and investment needs in larger metropolitan municipalities. Final allocations are adjusted by performance against the following weighted indicators: <ul style="list-style-type: none"> no decrease in total debt to revenue ratio in 2013/14 (20 per cent) no Section 57 vacancies for longer than 6 months in 2014 (20 per cent) unqualified audit opinion by AG (with or without findings) for the last financial year (30 per cent) decrease in total value of irregular, fruitless and wasteful expenditure identified by AG (20 per cent) timely submission of 2015 BEPP and performance indicators (10 per cent)
Reason not incorporated in equitable share	<ul style="list-style-type: none"> The Integrated City Development Grant (ICDG) provides a specific financial incentive for metropolitan municipalities to enhance the performance of their urban built environments. It reflects commitments contained in the National Development Plan to streamline funding for urban public investments to support the restructuring of the urban built environment

Integrated City Development Grant	
Past performance	2013/14 audited financial outcomes <ul style="list-style-type: none"> • R40 million was allocated and transferred to municipalities
	2013/14 service delivery performance <ul style="list-style-type: none"> • This is a supplementary grant that was specifically assigned for operational expenditures in 2013/14 • All municipalities submitted BEPPs timeously, including identification of integration zones
Projected life	<ul style="list-style-type: none"> • The grant will continue over the 2015 Medium Term Expenditure Framework (MTEF), subject to review in 2016/17
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R251 million, 2016/17: R267 million, and 2017/18: R292 million • For the outer years of the MTEF, allocations per metropolitan municipality have been provided without taking into account any performance adjustments. The allocation figures will be adjusted annually based on actual performance against the weighted indicators listed above
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of transferring officer and receiving officer	Responsibilities of National Department <ul style="list-style-type: none"> • National Treasury will review eligibility criteria and assess compliance with grant conditions prior to the transfer of each grant instalment • National Treasury in consultation with the Department of Cooperative Governance and the Department of Rural Development and Land Reform will facilitate engagements on the BEPPs with metropolitan municipalities and other sector departments • National Treasury will provide operational guidelines, facilitate peer learning and provide capacity support through the Cities Support Programme (CSP) • National Treasury will authorise applications for the utilisation of grant funds for specified operating purposes • National Treasury will review the credibility and measurability of audit plans
	Responsibilities of Municipalities <ul style="list-style-type: none"> • Municipalities will submit BEPPs and in-year reports • Municipalities will ensure consistent planning in integration zones, including alignment of Integrated Development Plans, Social Housing Restructuring Zones, Priority Housing Development Areas and Urban Development Zones • Strengthen and align their own capacity to support BEPP implementation
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Eligible municipalities must submit their draft BEPP by 3 November 2015 in accordance with requirements outlined in the BEPP guidelines

Infrastructure Skills Development Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 7)
Strategic goal	<ul style="list-style-type: none"> To develop infrastructure delivery management capacity within municipalities by creating a long term and sustainable pool of registered professionals with built environment and related technical skills (engineering, town planning, architecture, quantity surveying, geographic information system and project management skills)
Grant purpose	<ul style="list-style-type: none"> To recruit unemployed graduates in municipalities to be trained as per the requirements of the relevant Statutory Councils within the built environment
Outcome statements	<ul style="list-style-type: none"> Developed technical capacity within local government to enhance infrastructure related performance Trained graduates with built environment qualifications (national diplomas and degrees) in line with Statutory Council requirements Increased number of qualified and professionally registered technical experts appointed in municipalities Improved infrastructure planning and implementation within municipalities Improved reporting on infrastructure by municipalities
Outputs	<ul style="list-style-type: none"> Number of built environment graduates registered and trained as per requirements of the relevant Statutory Councils Number of registered senior experts mentoring graduates during training Number of graduates recognised as registered professional experts by the relevant Statutory Councils Number of graduates absorbed in municipalities as technical experts in the built environment
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 5: A skilled and capable workforce to support an inclusive growth path 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 Inputs Key activities
Conditions	<ul style="list-style-type: none"> The business plan must demonstrate that the municipality has projects that can support graduates on the road-to-registration Candidates must have a national diploma or degree in the built environment from tertiary education institutions i.e. Universities or Universities of Technology Municipalities must register graduates as candidates with the relevant Statutory Councils within 2 weeks of intake Municipalities must provide training as per the road-to-registration requirements of the relevant Statutory Councils Municipalities must submit evidence of graduate registration to National Treasury when graduates have qualified and are registered as professionals Mentoring must be provided by registered professionals in the same field as the graduates-in training and the full names and proof of registration of the mentor must be submitted to the National Treasury Infrastructure Skills Development Grant (ISDG) funding is to be utilized exclusively for costs associated with the training/road-to-registration process of graduates (refer to ISDG Guidelines) The business plan of a municipality or a training entity must include an absorption strategy for the graduates within its municipality or any other municipality A Project Administrator per municipality may be appointed for the sole purpose of ISDG administration (refer to ISDG Guidelines) Graduates are to be placed in units to support the management, maintenance and/or implementation of infrastructure, infrastructure related projects, and accelerated service/infrastructure delivery Candidates must be assigned to a supervisor with experience in the same field as the graduate-in-training Graduates to be evaluated by professionally registered mentors quarterly on training progress The municipality to provide and update the list of business tools and assets purchased with ISDG funds quarterly Municipalities must submit monthly and quarterly reports timeously Graduate reports and/or log books on the road-to-registration must be signed by the registered mentor as required by Statutory Councils Municipalities must sign a Service Level Agreement (SLA) with the National Treasury and such an agreement must be adhered to Non-compliance with the above conditions can result in the funds being withheld, stopped or re-allocated
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on business plans submitted and demonstrated ability of municipalities to train graduates for the period as stipulated by Statutory Councils
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This conditional grant is meant to develop technical skills in identified municipalities
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> R98.5 million was allocated and transferred to 17 municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> The grant has created employment and training opportunities for 437 graduates The following municipalities received the grant: Buffalo City (27 graduates), Nelson Mandela Bay (42 graduates), eThekweni (81 graduates), Ditsobotla (21 graduates), City of Johannesburg (4 graduates) Westonia (13 graduates), Polokwane (17 graduates), Govan Mbeki (116 graduates), Gert Sibande (12 graduates), Lukhanji (8 graduates), Alfred Nzo (16 graduates), Umhlathuze (20 graduates),

Infrastructure Skills Development Grant	
	Sol Plaatjie (15 graduates) , John Taolo Gaetsewe (8 graduates), King Sabata Dalindyebo (17 graduates), City of Cape Town (7 graduates), and George (13 graduates)
Projected life	<ul style="list-style-type: none"> The grant is expected to continue over the Medium Term Expenditure Framework (MTEF), and will be subject to review
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R124 million, 2016/17: R130 million, and 2017/18: R141 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 officer and receiving officer	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> Roll out the programme in municipalities in compliance to the ISDG framework and guidelines Ensure training is aligned to Statutory Council requirements Monitor and report on the programme Monitor the registration of graduates with the relevant Statutory Councils by municipalities Monitor financial and non-financial performance of the ISDG Maintain graduates database for the ISDG
	<p>Responsibilities of municipalities or public entities</p> <ul style="list-style-type: none"> Implement the guidelines provided by the National Treasury to recruit unemployed graduates within the built environment and register them with relevant Statutory Councils Municipalities must prepare a structured training plan, indicating how graduates will be exposed to suitable projects, to ensure that candidates gain adequate overall experience for professional registration Comply with the requirements of the Division of Revenue Act, ISDG guidelines, the SLA and the requirements of the relevant Statutory Councils Attend all meetings and workshops convened by the National Treasury Support and supervise graduates on the road-to-registration training Recruit professionally registered mentors in line with the skills training required Manage the programme and provide progress reports on a monthly and quarterly basis in the standard reporting templates provided by the National Treasury Manage the utilization of ISDG funds and report to the National Treasury Update and submit the ISDG database of graduates and ISDG assets as required by the National Treasury
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> Interested municipalities must submit a 3 year business plan by 28 August 2015 for assessment by the National Treasury Participating municipalities to submit revised/updated business plans to the National Treasury by 28 August 2015

Neighbourhood Development Partnership Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 7)
Strategic goal	<ul style="list-style-type: none"> Eradicating spatial inequality towards the creation of liveable, sustainable, resilient, efficient, and integrated towns and cities
Grant purpose	<ul style="list-style-type: none"> To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and the levels of access to opportunity for residents in South Africa's under-served neighbourhoods, generally townships
Outcome statements	<ul style="list-style-type: none"> Spatially integrated cities and towns Diversity of public and private capital investments leveraged into targeted locations Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third party capital investment into strategic locations Improved municipal capacity to support infrastructure investment planning, prioritisation, and ability to drive long-term spatial transformation
Outputs	<ul style="list-style-type: none"> Targeted locations with catalytic projects, defined as either: <ul style="list-style-type: none"> Urban hub precincts with secondary linkages; or as built environment upgrade projects in urban and rural townships Leveraged third party capital investment into targeted locations The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events Enhanced municipal strategic competencies in investment targeting, implementation and urban management
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 4: Decent employment through inclusive growth Outcome 8: Sustainable human settlements and improved quality of household life Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Compliance with the aims, and objectives as outlined in a signed memorandum of agreement or funding agreement between the municipality and the national department Submit cash flow schedules with budgets and timeframes for technical assistance and capital grant (project) implementation as requested by the Transferring Officer (TO) Programme execution is dependent on a sequential and formal acceptance/approval by the TO on NDPG related municipal plans or deliverables Municipalities must commit to forging partnerships with businesses, investors, communities, national, provincial government and state owned entities in order to leverage the third party capital investment required to ensure long term and sustainable outcomes for each precinct
Allocation criteria	<ul style="list-style-type: none"> The grant funds the plans and the catalytic projects in targeted locations that are defined either as urban hubs or as built environment upgrade projects in urban and rural townships Schedule 6B: Technical assistance allocations support planning and professional programme management costs for projects in targeted locations in order to attract and sustain third party capital investments based on the NDPG's allocation criteria Schedule 5B: Capital grant allocations are determined via a pipeline of prioritised projects that have been identified through the planning process of targeted locations Allocations are focused on municipalities whose circumstances align with the NDPG's criteria, these include: higher population densities, diverse nature of economic activity, concentrations of poverty, inefficient spatial-historical development, improved connectivity and mobility (in particular through improved public transport networks)
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This grant has a strong focus on catalytic nodal and linkage investment in targeted township locations that is not the focus of the equitable share
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> R598 million allocated, and transferred in Schedule 5B direct transfers to municipalities R55 million allocated in Schedule 6B indirect transfers to municipalities, and R12.6 million (23 per cent) of the allocation was spent by the end of the national financial year <p>2013/2014 service delivery performance</p> <ul style="list-style-type: none"> 86 NDPG projects under construction (annual) R1.9 billion in estimated third party investment leveraged (cumulative) 293 catalytic projects approved (cumulative) 18 long-term urban regeneration programmes registered (cumulative) Development and distribution of the Urban Hub Design Toolkit as part of the Urban Network Support Guide to strengthening municipal capacity in planning, investment targeting implementation and urban management
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the medium term, and will be subject to review
MTEF allocations	<p>Direct transfers (Schedule 5B)</p> <ul style="list-style-type: none"> 2015/16: R607 million, 2016/17: R624 million, and 2017/18: R663 million <p>Allocation-in-kind (Schedule 6B)</p> <ul style="list-style-type: none"> 2015/16: R26 million, 2016/17: R22 million, and 2017/18: R28 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury

Neighbourhood Development Partnership Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national departments</p> <ul style="list-style-type: none"> ● The National Treasury funds plans and catalytic projects in targeted locations that are defined either as urban hubs or as built environment upgrade projects in urban and rural townships, including: <ul style="list-style-type: none"> ○ notifying all municipalities of their allocation status, both directly and via the Neighbourhood Development Partnerships (NDPs) page on the National Treasury website ○ reporting in terms of the 2015 Division of Revenue Act (DoRA) ○ determining grant allocations for the Medium Term Expenditure Framework (MTEF) period ○ performing the obligations as set out in the Memorandum of Agreement/Funding Agreements signed between the municipality and the national department ○ governing the acceptance or approval milestones of NDPG related municipal plans or deliverables ○ monitoring, managing and evaluating financial and non-financial performance ○ overseeing and enforcing the conditions of this grant ○ producing and disseminating toolkits, guidance and good practice notes that strengthen competencies in investment targeting, implementation and urban management ● The Department of Rural Development and Land Reform is to drive rural development by supporting the planning and infrastructure delivery of identified and agreed NDPG projects, including: <ul style="list-style-type: none"> ○ acting as the agent of the National Treasury on identified and agreed NDPG projects ○ appointing a dedicated project manager to ensure the continuity of NDPG activities ○ reporting monthly to the National Treasury on the progress of NDPG projects ○ providing programme and project management support to municipalities until the NDPG projects are completed and closed ○ motivating to the National Treasury for the reallocation of funding for specific municipal projects ○ integrating existing project and information systems to ensure the efficient and effective management of existing NDP projects ○ participating in a joint Advisory Committee with National Treasury to govern the direction and coordination of the agency function ○ exploring the feasibility of developing grant management capacity <p>Responsibilities applicable to municipalities</p> <ul style="list-style-type: none"> ● Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the DoRA ● Submit a cash flow schedule with budgets and timeframes for technical assistance and/or capital grant implementation as requested by the TO ● Provide adequate human resources capacity for the successful coordination and implementation of NDPG ● Coordinate the development of NDPG related municipal plans or deliverables and ensure that they are aligned with the grant objectives against which performance will be assessed ● Manage and monitor technical assistance and/or capital grant implementation ensuring sound financial management and value for money ● Maintain accurate and current grant and performance information as specified in NDPG management information formats and systems ● Engage stakeholders so as to develop partnerships that leverage funding into the targeted locations ● Collect and provide evidence of funding leveraged into each precinct ● Mainstream and reflect the NDPG development strategies and plans across the municipality, i.e. through the municipal: <ul style="list-style-type: none"> ○ Spatial Development Frameworks (SDFs) and Capital Investment frameworks (as a chapter in the municipal SDF) ○ Integrated Development Plans (IDPs) ○ Built Environment Performance Plans (BEPPs) - only applicable to metropolitan municipalities
Process for approval of 2016/17 municipal NDPG plans	<ul style="list-style-type: none"> ● Submission of NDPG related municipal plans and/or deliverables within the timeframes defined in each municipality's own work plans ● Plans and/or deliverables must include an indication of: <ul style="list-style-type: none"> ○ the ability to attract and report on third party funding leveraged and ○ the quality of performance and progress reporting ○ the level of NDPG alignment across all municipal development strategies and plans including the coordination, targeting, and prioritisation with other related capital implementation projects as reflected through the municipal SDFs and capital investment frameworks

PUBLIC WORKS GRANT

Expanded Public Works Programme Integrated Grant for Municipalities	
Transferring department	<ul style="list-style-type: none"> • Public Works (Vote 11)
Strategic goal	<ul style="list-style-type: none"> • To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised
Grant purpose	<ul style="list-style-type: none"> • To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: <ul style="list-style-type: none"> ○ 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 ○ community safety programmes
Outcome statements	<ul style="list-style-type: none"> • Contribute towards increased levels of employment • Improved opportunities for sustainable work through experience and learning gained
Outputs	<ul style="list-style-type: none"> • 88 342 Full Time Equivalents (FTEs) to be created through the grant • Number of people employed and receiving income through the EPWP • Increased average duration of the work opportunities created
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 4: Decent employment through inclusive growth • Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plans	<ul style="list-style-type: none"> • The programme is implemented through municipalities using Incentive Agreements, project lists, creation of FTEs and work opportunities
Conditions	<ul style="list-style-type: none"> • EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by Department of Public Works (DPW) and the Ministerial Determination updated annually on 1 November each year • Eligible municipalities must sign a funding agreement with the DPW before the first grant disbursement, with their final EPWP project list attached • Municipalities must report quarterly on all EPWP projects via DPW's EPWP reporting system • Reports must be loaded on the EPWP reporting system within 15 days after the end of every quarter in order for progress to be assessed • Municipalities must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual • The EPWP grant cannot be used to fund the costs of permanent municipal personnel; however, a maximum of 5 per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods • The EPWP grant can only be utilised for EPWP purposes, for the projects approved in each municipality's EPWP project list • To receive the first planned grant disbursement, eligible municipalities must submit a signed Incentive Agreement with a project list by 12 June 2015 • Subsequent grant disbursements are conditional upon eligible municipalities reporting quarterly on EPWP performance within the required timeframes • Municipalities must implement their approved EPWP project list and meet agreed job creation targets • EPWP branding must be incorporated on any existing signage as per corporate identity manual
Allocation criteria	<ul style="list-style-type: none"> • To be eligible for an EPWP grant allocation in the 2015/16 financial year, a municipality must have reported EPWP performance by 15 October 2014. The EPWP grant allocations are based on: <ul style="list-style-type: none"> ○ past EPWP performance ○ the number of FTE jobs created in the prior six quarters ○ past performance with regard to labour intensity in the creation of EPWP work opportunities ○ the need for EPWP work in a municipal area, indicated by levels of unemployment, poverty and service backlogs • Allocation criteria include a rural bias. These municipalities will also be prioritised in terms of technical support for implementation provided by DPW
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key geographic regions
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • The incentive grant had an adjusted allocation of R611.3 million and 274 eligible municipalities earned the incentive grant and R611.3 million (100 per cent) was transferred to these municipalities

Expanded Public Works Programme Integrated Grant for Municipalities	
	<p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • 262 441 work opportunities were reported by 273 municipalities and validated by the EPWP system • 64 106 FTE jobs were reported by 273 municipalities and validated by the EPWP system
Projected life	<ul style="list-style-type: none"> • Grant continues until 2017/18, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R588 million, 2016/17: R664 million, and 2017/18: R716 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 officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Determine eligibility and set grant allocations and FTE targets for eligible municipalities • Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines and the Ministerial Determination • Support municipalities, in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> ○ identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria ○ apply the EPWP project selection criteria and EPWP guidelines to project design ○ report using the EPWP reporting system • Monitor the performance and spending of municipalities according to signed Incentive Agreement • Disburse the grant to eligible municipalities • Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement • Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions • Conduct site visits to identify where support is needed
	<p>Responsibilities of the eligible municipalities</p> <ul style="list-style-type: none"> • Develop and submit an EPWP project list to DPW by 12 June 2015 • Sign the standard funding agreement with DPW agreeing to comply with the conditions of the grant before receiving any grant disbursement • Agree on the areas requiring technical support from DPW upon signing the grant agreement • Ensure that reporting is done within the timelines stipulated in the grant agreement and that information is captured in the EPWP reporting system • Municipalities must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPW for data quality assessment tests • Reports must be loaded within 15 days after the end of every quarter in order for progress to be assessed
Process for approval of 2016 MTEF allocations	<ul style="list-style-type: none"> • Municipalities must report performance on EPWP projects for the 2015/16 financial year by 15 October 2015 to be eligible for a grant allocation • Municipalities must submit a signed Incentive Agreement with a project list by 10 June 2016

TRANSPORT GRANTS

Public Transport Network Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 35)
Strategic goal	<ul style="list-style-type: none"> • To support the National Land Transport Act (Act No. 5 of 2009) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable and affordable integrated municipal public transport network services
Grant purpose	<ul style="list-style-type: none"> • To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network and to support the planning, regulation, control, management and operations of financially sustainable municipal public transport network services
Outcome statements	<ul style="list-style-type: none"> • Improved public transport network infrastructure and services that are functioning optimally, safe, convenient, affordable, well managed and maintained and which are accessible to an increasing percentage of the population of urban municipalities and contribute to more spatially efficient urban areas
Outputs	<p>Network Operations Component</p> <ul style="list-style-type: none"> • Number of average weekday passenger trips carried on Public Transport Network Grant (PTNG) funded networks • Number and percentage of municipal households within a 500m walk to an Integrated Public Transport Network (IPTN) station or stop that has a minimum peak period frequency of 15 minutes or better • Percentage uptime for network operating systems • Passengers per network vehicle per average weekday <p>Network Infrastructure Component</p> <ul style="list-style-type: none"> • Public transport network infrastructure including dedicated lanes, routes and stops/shelters, stations, depots, signage and information displays, control centres and related information technology, fare systems and vehicles (if DoT approves use of grant funds to purchase vehicles), Non-Motorised Transport (NMT) infrastructure that supports network integration (e.g. sidewalks, cycleways, cycle storage at stations, etc.) • Plans and detailed design related to IPTN infrastructure and operations
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 • Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses IPTN operational and related plans including financial modelling
Conditions	<ul style="list-style-type: none"> • Projects must be based on a financially sustainable IPTN operational plan (including detailed financial modelling and universal design access plans) approved by the municipal council • Projects must support an integrated network approach as defined in the National Land Transport Act (NLTA) and the PTS and municipalities must manage operations to progressively achieve the standard of service defined in the PTS within available resources • Payments will be conditional on the attainment of milestones specified in the grant allocation letter to each municipality from the Department of Transport (DoT). Milestones are based on the approved IPTN operational plans of cities and are defined after consultation with municipalities • All public transport infrastructure and services funded through this grant must ensure that there is provision for the needs of special categories of passengers (including disabled, elderly and pregnant passengers) in line with the requirements of section 11(c) (xiv) of the NLTA • Allocations for this grant are made for two components, with separate conditions applicable to each component as set out below. Funds gazetted for one component can be shifted to another component if approved by National Treasury, after consultation with the DoT <p>Network Operations Component</p> <ul style="list-style-type: none"> • Operating subsidies from this component can fund security, station management, fare collection services, control centre operations, information and marketing, network management, insurance, compensation for the economic rights of existing operators and maintenance of infrastructure and systems • From the start of operations, 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 Operations Grant contributions. These direct operating costs consist of fuel, labour, operator administration and vehicle maintenance • From the start of operations on a route, the grant can fund a portion of the per kilometre rate to subsidise up to 100 per cent of the capital cost (including interest and related fees) of vehicles purchased by the vehicle operating company • IPTN operational plans and on-going operations management must target improved farebox cost coverage, through minimising costs and maximising fare revenues. Municipalities operating network services are required to supply detailed operating performance and operating cost and revenue reports quarterly in the formats prescribed by the DoT • Subsidies for any new service, line, route or phase, will only be transferred after a municipality meets the requirements of DoT's Operational Readiness Framework • Municipalities must enforce rules and bylaws regarding usage of dedicated lanes, fare payment, operator/supplier compliance with contractual provisions • Municipalities are required to establish specialist capacity to manage and monitor public transport system

Public Transport Network Grant	
	<p>contracts and operations</p> <ul style="list-style-type: none"> • Verified data on operator revenue and profitability and draft agreements for the compensation of existing economic rights of affected operators must be provided to DoT prior to concluding agreements on compensation for economic rights • Municipalities must enforce that only legal operators operate on routes subject to compensation agreements <p>Network Infrastructure Component</p> <ul style="list-style-type: none"> • The Grant can fund all IPTN-related infrastructure, including for non-motorised transport, upgrades of existing public transport infrastructure and for new infrastructure • Municipalities must demonstrate in their IPTN operational plans that they have attempted to give maximum priority to public and non-motorised transport while minimising costs through using existing infrastructure, road space and public land • For each phase, final network routing, service design and related financial modelling must be submitted to DoT for review and comments before municipalities proceed with detailed infrastructure design • IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations) • Contracted operators should finance and own vehicles unless a case for the exceptional use of limited infrastructure funding for vehicle procurement is approved by DoT, in consultation with National Treasury. If approval is granted, any vehicles purchased with grant funds must remain the property of the municipality
Allocation criteria	<ul style="list-style-type: none"> • Budget requests are evaluated in accordance with the outputs of the above business plan which specifies the infrastructure, operating and systems costs of serving a defined number of passenger trips per average weekday, to standards specified in government policy. • A formula using data on population size, public transport use and the size of the local economy has been used to adjust the indicative allocations for 2016/17 (20 per cent determined through formula) and 2017/18 (40 per cent determined through formula). A revised formula will be consulted on during 2015. • Allocations for the Network Operations Component are based on applications from cities on the amount from their total allocation that they would like to use within the rules of this component. Approval of allocations is based on the following rules: <ul style="list-style-type: none"> o the network operations component can be used in each Phase and Sub-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 o compensation for the economic rights of existing operators can be funded up to 100 per cent in each phase
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Infrastructure and operational costs associated with the implementation of the PTS and NLTA were not included in municipal budgets prior to the introduction of IPTN services
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • Public Transport Infrastructure Grant: The grant allocation was R4.7 billion and R4.7 billion (100 per cent) was transferred to municipalities • Public Transport Network Operations Grant: The grant allocation was R881 million and R881 million (100 per cent) was transferred to municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • City of Cape Town: Carried an average of 37 000 passenger trips per day on MyCiTi Phase 1a. The services covered 10 per cent of households. By June 2014, 27.3 kilometres of dedicated busway, 133 kilometres of complementary routes, and 317.5 kilometres of feeder routes and 43 stations had been completed • eThekweni: By June 2014, 3 kilometres of dedicated busway were completed • City of Johannesburg: Rea Vaya Phases 1a and 1b carried an average of 32 865 passenger trips per day. By June 2014, 43.6 kilometres of dedicated busway, 10.6 kilometres of complimentary routes, and 75.8 kilometres of feeder routes and 48 stations were completed • Nelson Mandela Bay: Carried an average of 1 700 passenger trips per day as a Pilot service by January 2014 • Rustenburg: By June 2014, 7.3 kilometres of dedicated busway were completed, and all plans were completed • City of Tshwane: By June 2014, 7.3 kilometres of dedicated busway and 6 stations were completed • Ekurhuleni, George, Polokwane and Mbombela: In 2014, all plans (operational, business, financial, marketing, preliminary design, and Phase 1 detailed design plans) were completed, and construction of infrastructure had commenced • Msunduzi and Mangaung: Full portfolio of plans yet to be completed, but will be completed in 2015/16
Projected life	<ul style="list-style-type: none"> • The grant is expected to continue beyond 2017/18, subject to review
MTEF allocations	<p>Grant total</p> <ul style="list-style-type: none"> • 2015/16: R6 billion, 2016/17: R6.1 billion, and 2017/18: R6.6 billion <p>Network Operations Component</p> <ul style="list-style-type: none"> • 2015/16: R1 billion, 2016/17: R1.4 billion and 2017/18: R1.4 billion <p>Network Infrastructure Component</p> <ul style="list-style-type: none"> • 2015/16: R4.9 billion, 2016/17: R4.8 billion, and 2017/18: R5.2 billion

Public Transport Network 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 the transferring officer and receiving officer	<ul style="list-style-type: none"> • Responsibilities of the national department • Disburse PTNG funds and monitor PTNG expenditure • Monitor IPTN implementation progress and operating performance 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 • Review and comment on draft compensation agreements for economic rights • Review and comment on the network model submitted by each city • Evaluate the performance of the grant annually • Develop clear financial, social, spatial and operational performance measures including a database of these by 3 August 2015, and annually track, report and evaluate the performance of the grant based on these measures • Develop a standardised reporting format • Develop an Operational Readiness Framework by 3 August 2015 • Review the PTS to ensure its requirements enable cities to develop financially sustainable IPTNs • Develop a draft public transport subsidy policy for South Africa by 2 October 2015 • Submit copies of allocation letters and milestones to National Treasury <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Ensure that projects are implemented in line with approved business plans and are also reflected in the integrated development plan of the municipality. Additional plans that cities will need to complete include: <ul style="list-style-type: none"> ○ network operational plans, including universal design access plans ○ business and financial plans (including financial modelling, economic evaluation, and operator transition plans) ○ institutional network management plan ○ engineering and architectural preliminary and detailed designs ○ public transport vehicle and technology plans ○ marketing and communication plans • Projects funded from this grant must promote the integration of the public transport network in a city, through: i) physical integration between different services within a single network; ii) fare integration between different services; iii) marketing integration with unified branding; iv) institutional integration between the services, and, v) spatial integration, in conjunction with other grants directed at the built environment • Provide budget proposals for the PTNG funding that: <ul style="list-style-type: none"> ○ are based on sound operational and financial plans that cover direct vehicle company operating costs from local sources at a minimum ○ indicate the intended allocations between the network operations component and network infrastructure component • Establish a dedicated project team to plan, manage and monitor infrastructure development and maintenance, as well as operations with an emphasis on optimising vehicle kilometres through full use of procured Intelligent Transport System tools • Compile and submit data that indicates the efficiency and effectiveness of operational services in the formats and using the indicators defined by the DoT
Process for approval of 2016 MTEF allocations	<ul style="list-style-type: none"> • Municipalities must submit business plans based on sound IPTN operational plans by 14 August 2015 • From 2016/17 allocations will include formula-based and incentive elements. The revised allocation method will be consulted on as part of the second phase of the review of local government infrastructure grants

Rural Roads Asset Management Systems Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 35)
Strategic goal	<ul style="list-style-type: none"> • Ensure efficient and effective investment in rural municipal roads through development of Road Asset Management Systems (RAMS) and collection of data
Grant purpose	<ul style="list-style-type: none"> • To assist rural district municipalities to set up rural RAMS, and collect road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA)
Outcome statements	<ul style="list-style-type: none"> • Improved data on municipal rural roads to guide infrastructure maintenance and investments • Reduced vehicle operating costs
Outputs	<ul style="list-style-type: none"> • Road condition data (paved and unpaved) • Traffic data • Bridge condition data
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 • Outcome 7: Vibrant, equitable and sustainable rural communities contributing towards food security for all • Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses Road Asset Management Business Plans which contain the following details: <ul style="list-style-type: none"> ○ network data collection plan ○ network condition and traffic volumes ○ organisational and support plan ○ financial summary
Conditions	<ul style="list-style-type: none"> • Road authorities must conduct regular condition assessments for paved and unpaved roads, bridges and collect traffic data in accordance with Technical Method for Highways (TMH) 9; TMH19 and TMH22 • District Municipalities (DMs) must provide Local Municipalities (LMs) with validated information from the condition data collected to enable municipalities to identify and prioritise road maintenance requirements within their own budgets, to improve the condition and extend the lifespan of road infrastructure • For RISFSA Class R1, R2 and R3 roads, 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, and ○ traffic data not older than three years • For RISFSA Class R4 and R5 roads, data requirements are: <ul style="list-style-type: none"> ○ visual condition data not older than three years for pavements and five years for bridges ○ traffic data not older than five years • All road condition reports and data collected must be submitted to the national Department of Transport (DoT) and the relevant Provincial Roads Authorities • Systems developed to record data must be compatible with DoT specifications (TMH26 and TMH22) for uniformity • 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
Allocation criteria	<ul style="list-style-type: none"> • Extent of network and number of local municipalities within a district municipality • 44 DMs will benefit from this grant in 2015 Medium Term Expenditure Framework (MTEF)
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant mainly for the provision of systems to collect rural road, traffic data and rural access bridges
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> • R52.2 million was allocated, and the R52.2 million (100 per cent of the allocation) was transferred to municipalities <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> • approximately 20 794 kilometres (79 per cent) of paved road network, and 113 840 km (68 per cent) of unpaved road network had been assessed by the programme in the 28 DMs receiving allocations • Poor progress was noted within DMs in Mpumalanga, Limpopo and Northern Cape. This is due to poor reporting quality and the 7 new entrants still building capacity to carry out the project • 155 graduates have been recruited into the programme
Projected life	<ul style="list-style-type: none"> • The grant has a life span up to 2017/18, and will be subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2015/16: R97 million, 2016/17: R102 million, and 2017/18: R107 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 officer and receiving officer	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> • Monitoring implementation of RAMS together with Provincial Road Authorities • Data integrity will be checked by DoT and Provincial Road Authorities • Provide guidance on sustainable RAMS operations and standards • Facilitate training to LMs and assist them to acquire RAMS data from DMs, Provinces or DoT

Rural Roads Asset Management Systems Grant	
	<ul style="list-style-type: none"> ● Check the quality of data captured on municipalities' RAMS in collaboration with provincial road authorities
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> ● Municipalities must make provision to maintain RAMS after the lifespan of the grant ● Data for all rural roads to be updated within two years ● Employ unemployed youth, S3 experiential training students and young graduates ● Ensure human capacity at municipalities for the operation of RAMS is built ● Road quality data on RAMS must be used for planning Municipal Infrastructure Grant (roads) investments as well as roads maintenance funded from other sources ● Submission of updated road condition data (paved and unpaved), traffic data, bridge condition/report by 28 August 2015
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> ● DMs must submit annual road conditions report based on that year to DoT by 16 March 2015 ● Road condition report must contain the following: <ul style="list-style-type: none"> ○ the extent of the road network in the municipality ○ the condition of the network in the municipality ○ the status of the municipality's RAMS ○ the proportion of municipal roads with updated data captured on its RAMS ● DoT together with Provincial Roads Authorities will evaluate the business plans and progress reports by 30 April 2015

WATER AND SANITATION GRANTS

Bucket Eradication Programme Grant	
Transferring department	<ul style="list-style-type: none"> Water and Sanitation (Vote 36)
Strategic goal	<ul style="list-style-type: none"> To eradicate the bucket system and provide a basic level of sanitation in formal areas
Grant purpose	<ul style="list-style-type: none"> To provide funding for the eradication of bucket sanitation
Outcome statements	<ul style="list-style-type: none"> The eradication of bucket sanitation through the provision of access to basic infrastructure for sanitation Build the capacity of municipalities benefiting from an indirect grant (Schedule 6A) allocation to carry out this function themselves in future
Outputs	<ul style="list-style-type: none"> Number of households previously using bucket toilets provided with improved sanitation
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 Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Outputs Cash flow projections Monthly reporting Number of structures to be completed
Conditions	<ul style="list-style-type: none"> Spending in terms of this grant must comply with any conditions set in terms of Section 4 of the 2015 Appropriations Act Projects undertaken through this grant may only fund sanitation projects that contribute to the eradication of bucket sanitation (including upgrading of other forms of sanitation in areas where bucket sanitation is also used) Projects funded through this grant must take account of and must not duplicate projects funded through the Urban Settlements Development Grant or Municipal Infrastructure Grant that will eradicate bucket sanitation All proposed projects must be approved by a joint committee comprising the Departments of Human Settlements, Water and Sanitation, and Cooperative Governance. This committee must ensure there is no duplication with existing projects This grant must prioritise areas where bucket sanitation is still being utilised The Department of Water and Sanitation (DWS) must enter into a Service Level Agreement (SLA) with the relevant Water Services Authority (WSA) before any project is implemented. All SLAs must be concluded by 31 March 2015 and must be shared with the Department of Cooperative Governance for noting and to improve coordination SLAs must specify: <ul style="list-style-type: none"> the consultation process undertaken with affected communities the alignment between the project plan and the Water Services Development Plan (WSDP) of the municipality where the project is located, and any provincial or municipal informal settlement upgrading or settlement development plans approved for the area where the project will be implemented the infrastructure that will be built how maintenance of the infrastructure will be conducted and funded in future agreement by the province and WSA that the project should be implemented as an allocation-in-kind
Allocation criteria	<ul style="list-style-type: none"> Funds have been allocated based on the number of households using bucket sanitation
Reason not incorporated in equitable share	<ul style="list-style-type: none"> It is a national priority to eradicate bucket sanitation and this grant will accelerate progress towards this goal
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> This grant was only introduced in 2014/15 <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> This grant was only introduced in 2014/15
Projected life	<ul style="list-style-type: none"> This grant is a special two year allocation to accelerate the eradication of bucket sanitation and will end in 2015/16, subject to performance
MTEF allocations	<ul style="list-style-type: none"> 2015/16: R975 million

Bucket Eradication Programme Grant	
Payment schedule	<ul style="list-style-type: none"> • Payments are made after verification of work performed
Responsibilities of transferring officer and receiving officer	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> • Facilitate the planning for bucket eradication within national government and coordinate with other spheres • Co-ordinate with municipalities and sign SLAs for the implementation of projects • Coordinate support with the provincial department responsible for co-operative governance and ensure that copies of all SLAs are shared with this department • The department must submit a draft Skills Transfer and Capacity Building Plan for Schedule 6B allocations to National Treasury by 1 April 2015, a final plan must be submitted to National Treasury by 1 June 2015. The Skills Transfer and Capacity Building Plan must set out how the capacity of benefiting municipalities will be developed so that they can continue to perform the function after the Schedule 6B funded project ends. The plan must set measurable targets that will be achieved over the 2015 Medium Term Expenditure Framework (MTEF). The plan must set out how existing and new capacity building initiatives will be used to achieve these targets • The department must submit an annual assessment of progress against its Skills Transfer and Capacity Building Plan to National Treasury two months after the end of the national financial year • All SLAs signed with municipalities must be submitted to National Treasury • The department must submit quarterly progress reports to the Office of the Chief Procurement Officer on the implementation of the plans for monitoring purposes • Submit reports in the format and on the dates prescribed by National Treasury <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • The provincial department responsible for cooperative governance must provide inputs on the draft SLAs and ensure projects implemented through this grant do not duplicate existing projects <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Ensure projects implemented through this grant do not duplicate existing projects • Ensure the sustainability of services to support the bucket eradication projects
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • This grant will end in 2015/16

Regional Bulk Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Water and Sanitation (Vote 36)
Strategic goal	<ul style="list-style-type: none"> Facilitate achievement of targets for access to bulk water through successful execution and implementation of regional bulk infrastructure projects or bulk projects of regional significance
Grant purpose	<ul style="list-style-type: none"> To develop new, refurbish, upgrade and replace ageing 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 To develop new, refurbish, upgrade and replace ageing waste water infrastructure of regional significance To pilot regional Water Demand Management and Water Conservation (WDM/WC) projects or facilitate and contribute to the implementation of local WDM/WC projects that will directly have an impact on the bulk infrastructure requirements
Outcome statements	<ul style="list-style-type: none"> Access to water supply enabled through regional bulk infrastructure Proper waste water management and disposal enabled through regional waste water infrastructure
Outputs	<ul style="list-style-type: none"> Number of regional bulk projects initiated Number of projects completed Number of people or households targeted to benefit from bulk supply Targeted people to benefit from percentage of projects completed Number of municipalities benefiting Number of job opportunities created
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 Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses Implementation Readiness Studies (IRS) and funding agreements which contain the following: <ul style="list-style-type: none"> cash flow and implementation milestones details of key stakeholders and main contractors specific funding conditions related to the project
Conditions	<ul style="list-style-type: none"> The Regional Bulk Infrastructure Grant (RBIG) is intended to fund the social component of regional bulk water and waste water projects approved by the Department of Water and Sanitation (DWS), unless arguments for exemption based on affordability are recommended by DWS and approved by National Treasury This grant can be used to build enabling infrastructure required to connect or protect water resources over significant distances with bulk and reticulation systems The need for a bulk infrastructure solution must be confirmed and accepted by DWS through the regional bulk master planning process A financing plan with associated co-funding agreements must be in place prior to implementation of RBIG funded projects All sources of funding for the full cost of the project must be outlined in the IRS and the funding agreement RBIG payments will be made to DWS's contracted Implementing Agents (IA) based on invoices for work done All projects must be aligned with and referenced to municipalities' Integrated Development Plans (IDPs) and Water Services Development Plans (WSDPs) as well as a detailed plan which shows alignment of RBIG projects with those funded through the Municipal Infrastructure Grant, Municipal Water Infrastructure Grant and the Water Services Operating Subsidy Grant A transfer plan must be developed and agreed to prior to the commencement of any new projects
Allocation criteria	<ul style="list-style-type: none"> Projects are assessed individually, and allocations are made by DWS on a project basis, taking into account the following factors: <ul style="list-style-type: none"> demand for water the strategic nature of the project economic importance of an area other appropriate water resource availability
Reason not incorporated in equitable share	<ul style="list-style-type: none"> Regional bulk projects are closely linked to water resource planning and development, which is a national DWS competency
Past performance	<p>2013/14 audited financial outcome</p> <ul style="list-style-type: none"> Of an allocation of R3.3 billion, R3.3 billion (100 per cent of allocation) was spent <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> Nine projects were completed, benefitting the following Local Municipalities (LMs): <ul style="list-style-type: none"> Tokologo Local Municipality (LM): Tokologo Regional Water Supply Phase 1 (9 409 people benefitting) Dihlabeng LM: Dihlabeng Bulk Water Supply Phase 1 (9 002 people benefitting)

Regional Bulk Infrastructure Grant	
	<ul style="list-style-type: none"> ○ Maluti-a-Phofung LM: Sterkfontein Dam Bulk Water Supply Scheme (170 000 people benefitting) ○ Nkandla/uMlalazi LMs: Middledrift (Nkandla) Water Treatment Works (130 721 people benefitting) ○ Victor Khanye LM: Bloemendal Water Pipeline (10 046 people benefitting) ○ Bushbuckridge/Nkomazi LMs: Acornhoek Bulk Water Supply (264 384 people benefitting) ○ Drakenstein LM: Drakenstein Waste Water Treatment Plant (147 343 people benefitting) ○ Overstrand LM: Hermanus Bulk Water Supply (18 231 people benefitting) ○ Cape Agulhas LM: Struisbaai Waste Water Treatment Works (12 776 people benefitting) ● 75 projects were in construction phase, 12 projects in design or tender phase and 50 projects in feasibility phase
Projected life	<ul style="list-style-type: none"> ● The grant will continue until 2017/18, subject to the infrastructure grants review initiated by National Treasury
MTEF allocations	<ul style="list-style-type: none"> ● 2015/16: R4.9 billion, 2016/17: R5.3 billion, and 2017/18: R4.9 billion
Payment schedule	<ul style="list-style-type: none"> ● Payments are made after verification of work performed
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> ● Support the development of Water Service Authority (WSA) services infrastructure master plans ● Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility study and IRS ● Enter into agreements with WSAs regarding the construction, ownership, funding arrangements, and operation and maintenance of proposed infrastructure prior to the commencement of construction. These agreements must be specified in the IRS and/or in the funding agreement ● If required, ensure the necessary authorisations, including Environmental Impact Assessment and water use licences are obtained ● Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework) ● Ensure that suitable agreements are in place between any IA who will continue to operate the infrastructure after completion and the WSA ● The department must submit a draft updated Skills Transfer and Capacity Building Plan for Schedule 6B allocations to National Treasury by 1 April 2015, a final plan must be submitted to National Treasury by 1 June 2015. The Skills Transfer and Capacity Building Plan must set out how the capacity of benefiting provinces will be developed so that they can continue to perform the function after the Schedule 6B funded project ends. The plan must set measurable targets that will be achieved over the 2015 Medium Term Expenditure Framework (MTEF). The plan must set out how existing and new capacity building initiatives will be used to achieve these targets ● The department must submit an annual assessment of progress against its Skills Transfer and Capacity Building Plan to National Treasury two months after the end of the national financial year <p>Responsibilities of WSAs which schemes will be transferred to</p> <ul style="list-style-type: none"> ● Develop and regularly update a water services infrastructure master plan ● Submission of monthly, quarterly and annual progress reports to DWS ● Ensure that projects are appropriately linked to the municipality's water services infrastructure master plans, the Integrated Development Plans (IDPs) and the WSDPs ● Once a project is completed, ensure adherence to operations and maintenance plans and/or any requirements agreed to, as part of the funding agreement, and ensure the sustainability of the infrastructure ● Ensure integration of planning, funding, timing and implementation of bulk and reticulation projects ● Ensure provision of reticulation services and/or reticulation infrastructure to connect to the bulk infrastructure funded through this grant
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> ● The structure and allocations for grants from 2016/17 will be amended in line with the on-going work of the Review of Local Government Infrastructure Grants. Municipalities should however continue to plan for projects over the medium term within existing grant conditions and baseline allocations as changes to the grant system will be phased in, to minimise any disruptions to individual projects. Further details of changes to grants and grant requirements will be communicated during 2015 ● DWS will inform WSAs about the structure of any proposed changes to grants and the process for applying for funding by 31 July 2015. While the review is underway, municipalities should continue to plan for future projects and prepare business plans for the current grants as there will be a phase-in period for any changes to the grant system. The deadline for submission of business plans will be 30 September 2015

Rural Households Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Water and Sanitation (Vote 36)
Strategic goal	<ul style="list-style-type: none"> To reduce sanitation backlogs in rural households and to pilot approaches to rural sanitation that can be scaled-up by municipalities
Grant purpose	<ul style="list-style-type: none"> To provide specific capital funding for the reduction of rural 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 sanitation in rural areas
Outputs	<ul style="list-style-type: none"> Number of rural households provided with access to on-site Ventilation Improved Pit (VIP) sanitation Number of rural households provided with access to on-site sanitation through alternative technologies Number of jobs created Number of households provided with user education training 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, sustainable rural communities contributing towards food security for all Outcome 8: Sustainable human settlements and improved quality of household life Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<p>Rural Households Infrastructure Grant direct component (Schedule 5B)</p> <ul style="list-style-type: none"> Municipalities must submit business plans approved by the Accounting Officer (AO), in accordance with their Water Services Development Plans (WSDPs) Fund training for beneficiaries on health and hygiene practices and how to use the facilities and perform basic maintenance Target the provision of on-site sanitation 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 <p>Rural Household Infrastructure Grant indirect component (Schedule 6B)</p> <ul style="list-style-type: none"> For municipalities where this grant is implemented as an allocation-in-kind (schedule 6B), the Department of Water and Sanitation (DWS) must enter into a Service Level Agreement (SLA) with the relevant municipality before any project is implemented. All SLAs must be concluded by 31 March 2015 SLAs must specify: <ul style="list-style-type: none"> the consultation process undertaken with affected communities the alignment between the project plan and the municipality's WSDP the infrastructure that will be built how maintenance of the infrastructure will be conducted and funded in future by the municipality details of how the capacity of the municipality will be strengthened through the process so that it can implement projects itself in future agreement by the municipality that the project should be implemented as an allocation-in-kind DWS must provide for skills transfer as part of the implementation of projects
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on the highest number of backlogs in each of the 27 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>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> The direct grant (Schedule 5B) was allocated R106.7 million and transferred to municipalities, and expenditure of R106.7 million (100 per cent) was reported by the end of the municipal financial year The indirect grant (Schedule 6B) allocation was R100.5 million and the expenditure was recorded at R75.5 million (75 per cent of the allocation) <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> The number of households served with sanitation facilities per province were: <ul style="list-style-type: none"> Eastern Cape: 2 925 Free State: 395 KwaZulu-Natal: 5 257 Limpopo: 2 804 Mpumalanga: 450 Northern Cape: 468 North West: 867 Total: 13 165
Projected life	<ul style="list-style-type: none"> The direct grant (Schedule 5B) will continue until 2017/18, subject to review The indirect grant (Schedule 6B) is expected to end in 2015/16
MTEF allocations	<ul style="list-style-type: none"> Direct grant (Schedule 5B): 2015/16: R48 million, 2016/17: R113 million, and 2017/18: R124 million Indirect grant (Schedule 5B): 2015/16: R67 million
Payment schedule	<ul style="list-style-type: none"> Payments are made in accordance with a payment schedule approved by National Treasury

Rural Households Infrastructure Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • To approve the business plans submitted by municipalities for Schedule 5B allocations • Agree on Service Level Agreements (SLAs) with municipalities for Schedule 6B allocations • Continuously monitor implementation and provide support to municipalities • Submit monthly financial and quarterly non-financial reports to National Treasury • Submit an annual evaluation report after the end of the financial year • Explore the possibility of incorporating beneficiation of sanitation waste in projects • Provide support and training to municipalities and households user education • The department must submit a draft Skills Transfer and Capacity Building Plan for Schedule 6B allocations to National Treasury by 1 April 2015, a final plan must be submitted to National Treasury by 1 June 2015. The Skills Transfer and Capacity Building Plan must set out how the capacity of benefiting municipalities will be developed, so that they can continue to perform the function after the Schedule 6B funded project ends. The plan must set measurable targets that will be achieved over the 2015 Medium Term Expenditure Framework (MTEF). The plan must set out how existing and new capacity building initiatives will be used to achieve these targets • The department must submit an annual assessment of progress against its Skills Transfer and Capacity Building Plan to National Treasury two months after the end of the national financial year • Verify reports from municipalities <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Municipalities will be responsible for selection of the project areas that provide total coverage within available funds • Municipalities must commit to undertaking maintenance required to keep installed facilities functional, including emptying the pits when they are full • Submit monthly financial and quarterly non-financial reports for Schedule 5B allocations • 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 • Ensure projects funded through this grant take account of and do not duplicate projects funded through the Municipal Infrastructure Grant, Bucket Eradication Programme Grant or other streams of sanitation funding • Use lessons learnt from Rural Households Infrastructure Grant projects to scale up the provision of on-site services funded through other grants
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • Business plans for Schedule 5B allocations must be submitted by 1 April 2016 for the 2016/17 MTEF • The structure and allocations for grants from 2016/17, will be amended in line with the on-going work of the Review of Local Government Infrastructure Grants. Municipalities should however continue to plan for projects over the medium term within existing grant conditions and baseline allocations as changes to the grant system will be phased in, to minimise any disruptions to individual projects. Further details of changes to grants and grant requirements will be communicated during 2015 • DWS will inform municipalities about the structure of any proposed changes to grants and the process for applying for funding by 31 July 2015. While the review is underway, municipalities should continue to plan for future projects and prepare business plans for the current grants as there will be a phase-in period for any changes to the grant system

Municipal Water Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Water and Sanitation (Vote 36)
Strategic goal	<ul style="list-style-type: none"> To assist Water Services Authorities (WSAs) to provide interim and/or intermediate and/or localised 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 water supply service
Outcome statements	<ul style="list-style-type: none"> An increased number of households with access to water supply, enabled through interim, and/or intermediate, and/or localised water supply projects to communities identified as not receiving a water supply service as at March 2013
Outputs	<ul style="list-style-type: none"> Number of households provided with a water supply service Number of projects completed and signed off by the WSA Investment in the development of new infrastructure and/or refurbishment and/or upgrading and/or extension of existing infrastructure Number of communities/villages benefiting Number of households with improved reliability of services Number of job opportunities created
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all Outcome 9: Responsive, accountable, effective and efficient local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<p>Municipal Water Infrastructure Grant (Schedule 5B)</p> <ul style="list-style-type: none"> WSAs which are receiving municipalities will be required to conclude a Municipal Water Infrastructure Grant (MWIG) agreement with the Department of Water and Sanitation (DWS) prior to implementation of project(s) MWIG funded projects must be included in the Integrated Development Plan (IDP) and Water Services Development Plan (WSDP) of the WSA The WSA must sign-off and submit and DWS must approve the technical report and business plans before funds can be transferred Business plans must include a commitment from the WSA to budget for and fund sustainable operations of the project Where necessary DWS, in consultation with the WSA, must facilitate Service Level Agreements (SLAs) for the appointment of Water Boards as service providers to operate and manage the water supply on behalf of the WSA once the project is completed All projects having an impact on water resources must be aligned with any relevant water resource planning study and strategy developed or adopted by DWS WSAs that fail to comply with the Division of Revenue Act requirements and these framework conditions, or any MWIG contractual obligation, or have not made adequate progress during the previous financial year may have their allocations converted to Schedule 6B allocations in terms of section 21 of the Division of Revenue Act and business plans will then be implemented by DWS All projects funded must be aligned to, and not duplicate, any existing or planned Water Services Operating Subsidy (WSOS) Grant, Municipal Infrastructure Grant (MIG) or Regional Bulk Infrastructure Grant (RBIG) projects <p>Municipal Water Infrastructure Grant indirect component (Schedule 6B)</p> <ul style="list-style-type: none"> For municipalities where this grant is implemented as an allocation-in-kind (Schedule 6B), DWS must enter into an SLA with the relevant municipality before any project is implemented. All SLAs must be signed by the Municipal Manager (or a delegated official) and DWS before projects can begin SLAs must specify: <ul style="list-style-type: none"> the location of the project and communities impacted the consultation process undertaken with affected communities the alignment between the project plan and the municipality's WSDP the interim/intermediate and/or localised infrastructure that will be built or the intervention that will be implemented the cost of the project and timeframe for completion how maintenance of the infrastructure will be conducted and funded in future by the municipality details of how the capacity of the municipality will be strengthened through the project implementation process so that it can implement projects itself in future who DWS's Implementing Agent (IA) will be agreement by the municipality that the project should be implemented as an allocation-in-kind DWS and/or the IA must provide for skills transfer as part of the implementation of projects DWS will appoint IAs

Municipal Water Infrastructure Grant	
	<ul style="list-style-type: none"> All projects funded must be aligned to, and not duplicate, any existing or planned WSOS Grant, MIG or RBIG projects
Allocation criteria	<ul style="list-style-type: none"> Funding allocations have been prioritised to WSAs within the 27 priority district municipalities identified by government, based on communities identified as having no access to water supply services Funding allocations will be prioritised based on the ability of WSAs to demonstrate implementation readiness, through planning and the ability to operate existing infrastructure sustainably
Reason not incorporated in equitable share	<ul style="list-style-type: none"> The grant is earmarked for specific projects aimed at providing access to water services for communities without access to clean water
Past performance	2013/14 audited financial outcome <ul style="list-style-type: none"> MWIG direct allocation (Schedule 5B): R603 million was allocated, and R592 million (98 per cent) was transferred to municipalities
	2013/14 service delivery performance <ul style="list-style-type: none"> Number of households benefiting from schemes: 40 996 Number of Jobs created: 429
Projected life	<ul style="list-style-type: none"> The grant will continue until the end of 2015/16. The grant is expected to be consolidated into a more general water services grant from 2016/17. Details will be determined as part of the second phase of the Review of Local Government Infrastructure Grants
MTEF allocations	<ul style="list-style-type: none"> Direct transfers (Schedule 5B): <ul style="list-style-type: none"> 2015/16: R1.8 billion, 2016/17: R1.2 billion, and 2017/18: R1.8 billion Allocation-in-kind (Schedule 6B): <ul style="list-style-type: none"> 2015/16: R792 million, 2016/17: R1.5 billion, and 2017/18: R2.1 billion
Payment schedule	<ul style="list-style-type: none"> For Schedule 5B, transfers are made in accordance with a payment schedule approved by National Treasury For Schedule 6B, payments are made after verification of work performed
Responsibilities of transferring officer and receiving officer	Responsibilities of national department <ul style="list-style-type: none"> Facilitate the development of appropriate planning for each WSA and the development of a plan to eradicate water supply backlogs in the prioritised districts Evaluate and approve the business plans for each project Ensure that the conditions of the grant and approved business plans are adhered to Facilitate support to WSA if required to implement the projects The department must submit a draft updated Skills Transfer and Capacity Building Plan for Schedule 6B allocations to National Treasury by 1 April 2015, a final plan must be submitted to National Treasury by 30 June 2015. The Skills Transfer and Capacity Building Plan must set out how the capacity of benefiting municipalities will be developed so that they can continue to perform the function after the Schedule 6B funded project ends. The plan must set measurable targets that will be achieved over the 2015 Medium Term Expenditure Framework (MTEF). The plan must set out how existing and new capacity building initiatives will be used to achieve these targets The department must submit an annual assessment of progress against its Skills Transfer and Capacity Building Plan to National Treasury, two months after the end of the national financial year Facilitate the alignment of existing capacity building initiatives to the Skills Transfer and Capacity Building Plan for Schedule 6B allocations
	Responsibilities of the participating Water Boards <ul style="list-style-type: none"> Assist DWS in managing the implementation of the overall programme Manage the implementation of some of the projects as IA of the WSA Assist WSA in managing the operation of water supply infrastructure when requested to by DWS and agreed to by WSA Develop adequate capacity, resources and skills to manage rural water supply projects and the different types of MWIG projects Carry out or manage the technical studies and submit a technical report when requested Assist benefiting WSAs to develop the business plans for each project Submit monthly, quarterly and annual progress reports when implementing projects, in a format prescribed by DWS Manage project implementation in line with the business plan
	Responsibilities of Water Services Authorities <ul style="list-style-type: none"> Compile and submit signed-off business plans for each project, including addressing how the projects will be operated and maintained (in terms of budget and capacity) Consideration must be given to Community Based Organisations (CBOs) to operate and maintain rural schemes Ensure integrated planning for all projects funded through the different grants and programmes the municipality participates in Review and sign-off on the technical report for each project

Municipal Water Infrastructure Grant	
	<ul style="list-style-type: none"> • Ensure adequate participation and involvement of the public in each project, particularly in rural areas • Manage project implementation in line with the business plan • Submit monthly, quarterly and annual progress reports in the format prescribed by DWS • Budget for and ensure on-going effective and efficient operations and maintenance of the projects once completed, at the WSA's cost • Comply with all the funding conditions agreed to in the business plan and MWIG agreement • If the project was to address problems with the functionality of existing schemes the WSA must commit to taking precautions to ensure that the functionality is retained and the failure of services does not re-occur • Where possible, contribute to the financial costs of the projects
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • The structure and allocations for grants from 2016/17 will be amended in line with the on-going work of the Review of Local Government Infrastructure Grants. Municipalities should however continue to plan for projects over the medium term within existing grant conditions and baseline allocations as changes to the grant system will be phased in to minimise any disruptions to individual projects. Further details of changes to grants and grant requirements will be communicated during 2015 • DWS will inform WSAs about the structure of any proposed changes to grants and the process for applying for funding by 31 July 2015. While the review is underway, municipalities should continue to plan for future projects and prepare business plans for the current grants, as there will be a phase-in period for any changes to the grant system. The deadline for submission of business plans will 30 September 2015

Water Services Operating Subsidy Grant	
Transferring department	<ul style="list-style-type: none"> Water and Sanitation (Vote 36)
Strategic goal	<ul style="list-style-type: none"> To enable effective, efficient and sustainable service delivery in Water Services Authorities (WSAs) that have had water services schemes transferred to them from the Department of Water and Sanitation (DWS)
Grant purpose	<ul style="list-style-type: none"> To subsidise, refurbish and restore the functionality of water services schemes previously owned and/or operated by DWS or by other agencies on behalf of the department
Outcomes statements	<ul style="list-style-type: none"> To ensure that transferred schemes are functional to ensure optimal service delivery by the WSA Assist the WSA and/or Water Service Provider (WSP) to develop sufficient capacity in order to manage the infrastructure transferred in line with available funding
Outputs	<ul style="list-style-type: none"> Operating outputs as defined in the business plan: <ul style="list-style-type: none"> number of and degree in which WSAs were supported to build capacity for enabling optimal service delivery on transferred water services schemes Transfer outputs as outlined in the business plan: <ul style="list-style-type: none"> schemes refurbished to specified standards schemes where the functionality has been restored number of transferred schemes number of transferred staff
Details contained in business plans	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> Outcome 9: Responsive, accountable, effective and efficient local government
Conditions	<ul style="list-style-type: none"> Funds transferred to WSAs must be utilised in line with the approved business plan The grant may be used to fund refurbishment of water services schemes transferred to WSAs All receiving municipalities and WSPs will be required to adhere to the Transfer Agreements (TA) with DWS and all subsequent addendums Receiving municipalities must demonstrate that appropriate operations and maintenance measures are in place to ensure the sustainability of transferred water services schemes Progress reports on the grant must be submitted on a monthly, quarterly and annual basis
Allocation criteria	<ul style="list-style-type: none"> Allocations based on the residual refurbishment and functionality requirements established in June 2013 Allocation as per the addendums and business plan for the project agreed upon with DWS
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This grant funds the refurbishment of water services schemes transferred from DWS
Past performance	<p>2013/14 audited financial outcomes</p> <ul style="list-style-type: none"> Direct transfers (Schedule 5B) to municipalities: R420.9 million allocated, transferred and received by municipalities Allocation-in-kind (Schedule 6B) for municipalities: R138.8 million allocated, and R110.6 million (79.7 per cent) reported as spent <p>2013/14 service delivery performance</p> <ul style="list-style-type: none"> Since inception, 59 agreements have been signed, 5 779 staff transferred and 1 651 schemes transferred (including rudimentary schemes), the total value of schemes transferred (valuated at the 2002-baseline) amounts to R4 587 million 11 schemes valued at more than R100 million and with a total value of R1 732 million (aligned to the 2002-baseline) have not yet been transferred due to capacity reservations of receiving WSAs 300 DWS staff members have not been accepted for transfer by receiving WSAs 39 schemes were refurbished during 2013/14 national financial year and 68 were completed by the end of the municipal financial year
Projected life	<ul style="list-style-type: none"> The grant will continue until the end of 2015/16. The grant is expected to be consolidated into a more general water services grant from 2016/17. Details will be determined as part of the second phase of the Review of Local Government Infrastructure Grants
MTEF allocations	<ul style="list-style-type: none"> Direct transfers (Schedule 5B): <ul style="list-style-type: none"> 2015/16: R453 million, 2016/17: R466 million, and 2017/18: R502 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 officer and receiving officers	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> Agree with WSAs on outputs and targets Continue to provide support to municipalities to enable independence in managing the schemes Report to National Treasury on the grant performance (in the prescribed format) and ensure compliance with the grant conditions Conduct site inspections on projects implemented by WSAs Submit monthly, quarterly and annual progress reports in a format agreed by National Treasury Negotiate and approve TA addendums

Water Services Operating Subsidy Grant	
	<p>Responsibilities of municipalities (WSAs)</p> <ul style="list-style-type: none"> • Compile and submit signed-off business plans for each project • Submit signed-off TA addendums • Submission of refurbishment project plans prior to the commencement of the municipal financial year in compliance with requirements set by DWS • Ensure integrated planning for all projects funded through the different grants and programmes the municipality participates in • Manage project implementation in line with the business plan • Comply with all the funding conditions agreed to in the business plan and the TA addendum • WSAs will submit monthly, quarterly and annual progress reports in the format prescribed by DWS • Budget for and ensure on-going effective and efficient operations and maintenance of the projects once the refurbishment projects have been completed
Process for approval of 2016/17 business plans	<ul style="list-style-type: none"> • The structure and allocations for grants from 2016/17 will be amended in line with the on-going work of the Review of Local Government Infrastructure Grants. Municipalities should however continue to plan for projects over the medium term within existing grant conditions and baseline allocations as changes to the grant system will be phased in, to minimise any disruptions to individual projects. Further details of changes to grants and grant requirements will be communicated during 2015 • DWS will inform WSAs about the structure of any proposed changes to grants and the process for applying for funding by 31 July 2015. While the review is underway, municipalities should continue to plan for future projects and prepare business plans for the current grants as there will be a phase-in period for any changes to the grant system. The deadline for submission of business plans will be 30 September 2015

ANNEXURE W4

SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B; SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS

(National and Municipal Financial Years)

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS 1 OF 2

Category	Municipality	Municipal Demarcation Transition Grant		Municipal Disaster Grant		Municipal Systems Improvement Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant		
		2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	
FREE STATE												
A	MAN Mangungu										9 206	10 587
B	FSI 61 Lesemeng					930	957	1 033				
B	FSI 62 Koranong					930	957	1 033				
B	FSI 63 Mokokare					930	957	1 033				
B	FSI 64 Nakati					930	957	1 033				
C	DC16 Xharitan District Municipality					930	960	1 033				
	Total Xharitan Municipalities					4 650	4 788	5 165				
B	FSI 81 Masilonyana					930	957	1 033				
B	FSI 82 Tokologo					930	957	1 033				
B	FSI 83 Tswetopole					930	957	1 033	5 000			
B	FSI 84 Matjhabeng					930	957	1 033				
B	FSI 85 Nala					930	957	1 033				
C	DC18 Lejweleputswa District Municipality					930	960	1 033				
	Total Lejweleputswa Municipalities					5 580	5 745	6 198	5 000	5 000		
B	FSI 91 Setsoho					930	957	1 033				
B	FSI 92 Dibeheg					930	957	1 033				
B	FSI 93 Nkatoana					930	957	1 033				
B	FSI 94 Mafuti-a-Phofung					930	957	1 033	3 000			
B	FSI 95 Phumela					930	957	1 033				
B	FSI 96 Mantsopa					930	957	1 033				
C	DC19 Thabo Mofutsanyana District Municipality					930	960	1 033				
	Total Thabo Mofutsanyana Municipalities					6 510	6 702	7 231	3 000	6 000		
B	FSZ01 Moshaka					930	957	1 033				
B	FSZ03 Nyatwe					930	957	1 033				
B	FSZ04 Metsimahalo					930	957	1 033				
B	FSZ05 Mafikeng					930	957	1 033	3 000			
C	DC20 Ficksburg District Municipality					930	960	1 033				
	Total Ficksburg District Municipality					4 650	4 788	5 165	3 000	6 000		
	Total Free State Municipalities					21 390	22 023	23 759	9 000	17 000	9 206	10 587
GAUTENG												
A	EKURUPHANI City of Johannesburg											
A	TSI City of Tlokweng											
B	GT421 Enliven	1 857				930	957	1 033				
B	GT422 Mofokeng	1 857				930	957	1 033				
B	GT423 Leabroek	1 857				930	957	1 033				
C	DC42 Sedibeng District Municipality					930	960	1 033				
	Total Sedibeng District Municipality	7 428				3 720	3 831	4 122				
B	GT481 Mogale City					930	957	1 033				
B	GT482 Randfontein	1 857				930	957	1 033	8 000			
B	GT483 Westonaria	1 857				930	957	1 033		10 000		
B	GT484 Newburg City					930	957	1 033	5 000			
C	DC48 West Rand District Municipality					930	960	1 033				
	Total West Rand District Municipality	3 714				4 650	4 788	5 165	13 000	10 000		
	Total Gauteng Municipalities	11 142				8 370	8 619	9 297	27 000	25 000	43 649	50 190

**ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS 1 OF 2**

Category	Municipality	Municipal Demarcation Transition Grant		Municipal Disaster Grant		Municipal Systems Improvement Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant	
		2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)
LIMPOPO											
B	LIM331					950	957				
B	LIM332					950	957				
B	LIM333					950	957				
B	LIM334					940	960	5 000	5 000		
B	LIM335					950	957				
C	DC33					940	960				
	Total: Mpumali Municipalities					5 000	5 748	5 000	5 000		
B	LIM341					940	957				
B	LIM342					950	957				
B	LIM343					950	957				
B	LIM344					950	957				
C	DC34					940	960	5 000	5 000		
	Total: Vhembe Municipalities					4 670	4 788	5 000	5 000		
B	LIM351					950	957				
B	LIM352					950	957				
B	LIM353					950	957				
B	LIM354					950	957				
B	LIM355					950	957				
C	DC35					940	960				
	Total: Capricorn Municipalities					5 500	5 745				
B	LIM361					950	957				
B	LIM362					950	957				
B	LIM364					950	957	4 000	5 000		5 000
B	LIM365					950	957				
B	LIM366					950	957				
B	LIM367					950	957				
C	DC36					940	960				
	Total: Waterberg Municipalities					6 520	6 702	4 000	5 000		5 000
B	LM471					950	957				
B	LM472					950	957				
B	LM473					950	957				
B	LM474					950	957				
B	LM475					950	957				
C	DC47					940	960				
	Total: Sabi Sabane District Municipality					5 500	5 745				6 198
	Total: Limpopo Municipalities					27 970	28 728	14 000	15 000		15 000

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B AND SCHEDULE 7, PART B); CURRENT GRANTS 1 OF 2

Category	Municipality	Municipal Demarcation Transition Grant		Municipal Disaster Grant		Municipal Systems Improvement Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant	
		2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)
MPUMALANGA											
B	MP301					930	957				
B	MP302					930	957				
B	MP303					930	957				
B	MP304					930	957				
B	MP305					930	957				
B	MP306					930	957				
B	MP307					930	957				
C	DC30					940	960				
	Total: Gert Sibande District Municipality					7 450	7 659				
B	MP311					930	957				
B	MP312					930	957				
B	MP313					940	957				
B	MP314					930	957				
B	MP315					930	957				
B	MP316					930	957				
C	DC31					930	960				
	Total: Nkangala District Municipality					6 520	6 702				
B	MP321					930	957				
B	MP322					930	957				
B	MP323					930	957				
B	MP324					930	957				
B	MP325					930	957				
C	DC32					940	960				
	Total: Ehlanzeni District Municipality					5 590	5 745				
	Total: Mpumalanga Municipalities					19 560	20 106				
								6 000	10 000	10 000	

ANNEXURE W4
 SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS 1 OF 2

Category	Municipal Demarcation Transition Grant		Municipal Disaster Grant		Municipal Systems Improvement Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant	
	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)
NORTHERN CAPE										
B	NC061	Richersveld			957	1 033				
B	NC062	Nama Khoi			957	1 033				
B	NC064	Kamiesberg			957	1 033				
B	NC065	Hantam			957	1 033				
B	NC066	Karoo Hoogland			957	1 033				
B	NC067	Khali-Ma			957	1 033				
C	DC6	Namaquala District Municipality			960	1 033				
		Total: Namaquala Municipalities			6 510	7 231				
B	NC071	Uitenhage			957	1 033				
B	NC072	Unsoobomvu			940	1 033	3 000	10 000		
B	NC073	Enlhanjeni			957	1 033				
B	NC074	Kareeberg			957	1 033				
B	NC075	Rensosterberg			957	1 033				
B	NC076	Thembelille			957	1 033				
B	NC077	Sydenham			957	1 033				
B	NC078	Sydenham			957	1 033				
C	DC7	Piket-Ka-Seme District Municipality			960	1 033				
		Total: Piket-Ka-Seme Municipalities			8 380	9 297	7 000	10 000		
B	NC081	Mier			957	1 033				
B	NC082	IKai Garib			957	1 033				
B	NC083	//Kara Hais			957	1 033	3 000	5 000		
B	NC084	IKheis			957	1 033	2 000	5 000		
B	NC085	Tsunabane			957	1 033				
B	NC086	Katelopele			957	1 033				
C	DC8	Z.F. Mgcawu District Municipality			960	1 033				
		Total: Siyanda Municipalities			6 510	7 231	8 000	10 000		
B	NC091	Sol Plaatje			957	1 033				
B	NC092	Dikgatlong			957	1 033				
B	NC093	Magersburg			957	1 033				
B	NC094	Phokwane			957	1 033				
C	DC9	Frances Baard District Municipality			960	1 033				
		Total: Frances Baard Municipalities			4 660	5 165				
B	NC451	Jos Meroelong			957	1 033				
B	NC452	Ga-Segonyana			960	1 033				
B	NC453	Gamaara			957	1 033				
C	DC45	John Tsiso District Municipality			960	1 033				
		Total: John Tsiso District Municipalities			3 750	4 132				
		Total: Northern Cape Municipalities			29 790	30 642	15 000	20 000		

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B AND SCHEDULE 7, PART B); CURRENT GRANTS 1 OF 2

Category	Municipal Demarcation Transition Grant		Municipal Disaster Grant		Municipal Systems Improvement Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant	
	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)
NORTH WEST										
B NW371 Moretele					930	957	1 033			
B NW372 Mafikeng					930	957	1 033			
B NW373 Rustenburg					930	957	1 033			
B NW374 Kgalekgotleng					930	957	1 033	3 899	5 000	10 000
B NW375 Moses Kotane					930	957	1 033	5 000		
C DC37 Botswana Platinum District Municipality					930	960	1 033			
Total: Botswana Platinum Municipalities					5 580	5 745	6 198	8 899	5 000	10 000
B NW381 Rerouk					930	957	1 033			
B NW382 Tswaing					930	957	1 033			
B NW383 Mafikeng					940	957	1 033	8 000		10 000
B NW384 Ditsobotla					930	957	1 033			
B NW385 Ramotshere Moiloa					930	957	1 033			
C DC38 Ngaka Modiri Molema District Municipality					930	960	1 033			
Total: Ngaka Modiri Molema Municipalities					5 590	5 745	6 198	8 000	8 000	10 000
B NW392 Naledi					930	957	1 033			
B NW393 Mmusa					930	957	1 033			
B NW394 Greater Taung					930	957	1 033			
B NW396 Lekwa-Temane					930	957	1 033			
B NW397 NW397					930	957	1 033			
C DC39 Dr Ruth Segomotsi Mompati District Municipality					930	960	1 033			
Total: Dr Ruth Segomotsi Mompati Municipalities					5 580	5 745	6 198			
B NW401 Venetia					930	957	1 033			
B NW402 Tokwe					930	957	1 033			
B NW403 City of Mafetseng					930	957	1 033			
B NW404 Mankwatsi Hills					930	957	1 033			
C DC40 Dr Kenneth Kaunda District Municipality					930	960	1 033			
Total: Dr Kenneth Kaunda Municipalities					4 650	4 788	5 165			
Total: North West Municipalities					21 400	22 023	23 759	16 899	13 000	20 000

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B); CURRENT GRANTS 2 OF 2

Category	Municipality	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Water Services Operating Subsidy Grant		SUB-TOTAL: CURRENT		
		2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	
EASTERN CAPE												
A	BUF	8 500	9 500	1 300	1 300	1 149				33 202	25 053	27 941
A	NMA	9 000	12 000	1 050	1 050	8 654				38 561	28 522	30 416
B	EC101			1 800	1 825	1 900	1 000			3 730	2 782	2 933
B	EC102			1 600	1 625	1 700	1 000			3 530	2 582	2 733
B	EC103			1 875	2 010	2 345	1 000			3 805	2 967	3 378
B	EC104			1 675	1 810	2 145	1 002			3 607	2 767	3 178
B	EC105			1 800	1 825	1 900	1 000			3 730	2 782	2 933
B	EC106			1 875	2 010	2 345	1 000			3 805	2 967	3 378
B	EC107			1 600	1 625	1 700	1 018			3 548	2 582	2 733
B	EC108			1 600	1 625	1 700	1 000			3 530	2 582	2 733
B	EC109			1 800	1 825	1 900	1 000			3 730	2 782	2 933
C	DC10			1 250	1 250	1 250	1 133			3 323	2 210	2 283
	Total: Sarah Baartman Municipalities			16 875	17 430	18 885	10 153			36 338	27 003	29 215
B	EC121			1 600	1 625	1 700	1 052			3 582	2 582	2 733
B	EC122			1 600	1 625	1 700	1 000			3 530	2 582	2 733
B	EC123			1 875	2 010	2 345	1 000			3 805	2 967	3 378
B	EC124			1 600	1 625	1 700	1 056			3 586	2 582	2 733
B	EC126			1 875	2 010	2 345	1 000			3 805	2 967	3 378
B	EC127			1 800	1 825	1 900	1 041			3 771	2 782	2 933
B	EC128			1 800	1 825	1 900	1 000			3 730	2 782	2 933
C	DC12			1 250	1 250	1 250	2 657			15 357	12 210	14 783
	Total: Amathole Municipalities			13 400	13 795	14 840	9 816			41 166	31 454	35 604
B	EC131			1 675	1 810	2 145	1 308			3 913	2 767	3 178
B	EC132			1 800	1 825	1 900	1 060			3 790	2 782	2 933
B	EC133			1 800	1 825	1 900	1 000			3 730	2 782	2 933
B	EC134			1 675	1 810	2 145	1 529			6 934	5 767	6 678
B	EC135			1 675	1 810	2 145	1 271			3 876	2 767	3 178
B	EC136			1 875	2 010	2 345	1 000			3 805	2 967	3 378
B	EC137			1 600	1 625	1 700	1 672			4 202	2 582	2 733
B	EC138			1 600	1 625	1 700	1 000			3 530	2 582	2 733
C	DC13			1 500	1 500	1 500	5 961			13 401	12 460	15 033
	Total: Chris Hani Municipalities			2 800	3 000	3 500	15 801			47 181	37 456	42 777
B	EC141			1 600	1 625	1 700	1 268			3 798	2 582	2 733
B	EC142			1 600	1 625	1 700	2 059			4 589	2 582	2 733
B	EC143			1 800	1 825	1 900	1 085			6 815	8 782	8 933
B	EC144			1 875	2 010	2 345	1 000			3 805	2 967	3 378
C	DC14			1 250	1 250	1 250	1 379			8 569	12 210	14 283
	Total: Joe Gqabi Municipalities			8 125	8 335	8 895	6 791			27 576	29 123	32 000
B	EC153			1 600	1 625	1 700	1 036			3 566	2 582	2 733
B	EC154			1 800	1 825	1 900	1 149			3 879	2 782	2 933
B	EC155			1 600	1 625	1 700	1 219			3 749	2 582	2 733
B	EC156			1 875	2 010	2 345	1 000			3 805	2 967	3 378
B	EC157			1 675	1 810	2 145	1 768			7 573	6 267	7 678
C	DC15			1 575	1 710	2 045	6 693			19 208	12 670	18 078
	Total: O.R.Tambo Municipalities			3 200	3 500	4 500	12 865			41 780	29 850	37 533
B	EC441			1 600	1 625	1 700	1 780			4 310	2 582	2 733
B	EC442			1 600	1 625	1 700	1 737			4 267	2 582	2 733
B	EC443			1 675	1 810	2 145	1 000			3 605	2 767	3 178
B	EC444			1 800	1 825	1 900	1 031			3 761	2 782	2 933
C	DC44			1 325	1 460	1 795	4 853			26 108	18 920	22 828
	Total: Alfred Nzo Municipalities			3 000	3 000	4 000	10 401			42 051	29 633	34 405
	Total: Eastern Cape Municipalities			26 500	31 000	35 806	74 075			307 855	238 094	269 951

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B); CURRENT GRANTS 2 OF 2

Category	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Water Services Operating Subsidy Grant		SUB-TOTAL: CURRENT		
	Municipality		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
	2016/17 (R'000)	2017/18 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	
FREE STATE											
A MAN Mangung			1 300	1 300		3 097			13 603	10 506	11 887
B FS161 Letsameg			1 800	1 825	1 900	1 000			3 730	2 782	2 933
B FS162 Kopomog			1 600	1 625	1 700	1 363			3 893	2 582	2 733
B FS163 Molebare			1 800	1 825	1 900	1 000			3 730	2 782	2 933
B FS164 Naledi			1 875	2 010	2 345	1 000			3 805	2 967	3 378
C DC16 Xhariep District Municipality			1 250	1 250	1 250	1 111			3 291	2 210	2 283
Total: Xhariep Municipalities			8 325	8 535	9 095	5 474			18 449	13 323	14 260
B FS181 Maslonyana			1 800	1 825	1 900	1 112			3 842	2 782	2 933
B FS182 Tokologo			1 800	1 825	1 900	1 223			3 953	2 782	2 933
B FS183 Tswelopele			1 800	1 825	1 900	1 073			6 803	7 782	7 933
B FS184 Mafjhabeng			1 675	1 810	2 145	1 072			3 677	2 767	3 178
B FS185 Nala			1 875	2 010	2 345	1 000			3 805	2 967	3 378
C DC18 Lejweletswa District Municipality			1 250	1 250	1 250	1 000			3 180	2 210	2 283
Total: Lejweletswa Municipalities			10 200	10 545	11 440	6 480			25 260	21 290	22 638
B FS191 Setsoto			1 600	1 625	1 700	2 042			4 572	2 582	2 733
B FS192 Dhlabeng			1 600	1 625	1 700	1 000	2 500	4 000	6 030	6 582	7 733
B FS193 Nketoana			1 600	1 625	1 700	1 08			3 638	2 582	2 733
B FS194 Maitati a Phofung			1 675	1 810	2 145	5 718			11 323	8 767	9 178
B FS195 Phumela			1 875	2 010	2 345	1 000			3 805	2 967	3 378
B FS196 Mantsope			1 675	1 810	2 145	1 000			3 660	2 767	3 178
C DC19 Thabo Mofutsanyana District Municipality			1 250	1 250	1 250	1 208			3 388	2 210	2 283
Total: Thabo Mofutsanyana Municipalities			11 725	11 755	12 985	13 076	2 500	4 000	36 361	28 457	31 216
B FS201 Mochaka			1 675	1 810	2 145	1 151			3 756	2 767	3 178
B FS203 Ngwanhe			1 675	1 810	2 145	1 097			3 702	2 767	3 178
B FS204 Metsimaholo			1 600	1 625	1 700	1 020	3 500	6 000	10 050	14 582	16 733
B FS205 Mafibe			1 875	2 010	2 345	1 000			3 805	2 967	3 378
C DC20 Fzile Dabi District Municipality			1 250	1 250	1 250	1 000			3 180	2 210	2 283
Total: Fzile Dabi Municipalities			8 075	8 505	9 585	5 268	3 500	6 000	24 493	25 293	28 750
Total: Free State Municipalities			39 175	40 640	44 405	33 395	6 000	10 000	118 166	98 869	108 751
GAUTENG											
A EKU Ekurhuleni			1 050	1 050	1 050	13 709			43 072	35 363	37 510
A JHB City of Johannesburg	7 700	10 355	1 050	1 050	1 050	38 447			63 702	25 910	30 386
A TSH City of Tshwane			4 175	2 875	2 650	31 143			48 149	15 706	17 405
B GT421 Emfileni			1 450	1 475	1 550	3 553			7 790	2 432	2 583
B GT422 Midvaal			1 450	1 475	1 550	1 327			5 564	2 432	2 583
B GT423 Lesedi			1 450	1 475	1 550	1 347			5 584	2 432	2 583
C DC42 Sedibeng District Municipality			1 250	1 250	1 250	1 000			5 037	2 210	2 283
Total: Sedibeng Municipalities			5 600	5 675	5 900	7 227			23 975	9 506	10 032
B GT481 Megale City			1 450	1 475	1 550	1 266			3 646	2 432	2 583
B GT482 Randfontein			1 450	1 475	1 550	1 000			13 237	10 432	12 583
B GT483 Westonaria	3 000	3 000	1 450	1 475	1 550	2 024			9 261	4 932	5 583
B GT484 Merafong City			1 600	1 625	1 700	1 775			9 305	2 582	2 733
C DC48 West Rand District Municipality			1 250	1 250	1 250	1 000			3 180	2 210	2 283
Total: West Rand Municipalities			3 000	2 500	3 000	7 065			38 629	22 588	25 765
Total: Gauteng Municipalities			10 700	10 855	13 355	97 591			217 527	109 073	121 098

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B); CURRENT GRANTS 2 OF 2

Category	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Water Services Operating Subsidy Grant		SUB-TOTAL: CURRENT		
	2015/16	2017/18	2015/16	2017/18	2015/16	2017/18	2015/16	2017/18	2015/16	2017/18	
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	
Municipality											
B			1 800	1 825	1 900	1 055			3 785	2 782	2 933
B			1 800	1 825	1 900	1 055			3 785	2 782	2 933
B			1 600	1 625	1 700	1 417			3 947	2 582	2 733
B			1 800	1 825	1 900	1 624			4 354	2 782	2 933
B			1 700	1 725	1 800	1 332			3 962	2 682	2 833
C			1 250	1 250	1 250	1 377			11 990	9 210	17 283
Total: Zululand District Municipality			9 950	10 075	10 450	13 600			35 217	22 820	31 648
Total: Uthmaniyah District Municipality											
B			1 800	1 825	1 900	1 294			4 024	2 785	2 933
B			1 800	1 825	1 900	1 899			4 629	2 782	2 933
B			1 800	1 825	1 900	1 000			5 587	2 782	2 933
B			1 800	1 825	1 900	1 000			5 587	2 782	2 933
B			1 800	1 825	1 900	1 000			5 587	2 782	2 933
C			1 250	1 250	1 250	1 308			8 698	5 710	9 283
Total: Uthmaniyah District Municipality			10 250	10 375	10 750	7 501			34 255	24 623	28 948
Total: Uthungulu District Municipality											
B			1 800	1 825	1 900	1 000			3 730	2 785	2 933
B		6 000	1 600	1 625	1 700	2 961			21 848	11 582	18 733
B			1 800	1 825	1 900	1 463			6 050	2 782	2 933
B			1 600	1 625	1 700	3 037			5 567	2 582	2 733
B			1 800	1 825	1 900	2 264			6 851	2 782	2 933
B			1 800	1 825	1 900	1 025			3 755	2 782	2 933
C			1 250	1 250	1 250	6 639			20 829	6 210	14 783
Total: Uthungulu District Municipality		6 000	11 650	11 800	12 250	18 389			68 630	31 505	47 981
Total: iLembe District Municipality											
B			1 800	1 825	1 900	1 755			4 495	2 785	2 933
B			1 700	1 725	1 800	1 418			4 048	2 682	2 833
B			1 800	1 825	1 900	1 158			3 888	2 782	2 933
B			1 800	1 825	1 900	1 003			3 733	2 782	2 933
C			1 250	1 250	1 250	1 536			7 726	7 210	12 283
Total: iLembe District Municipality			8 350	8 450	8 750	6 870			23 890	18 241	23 915
Total: Siyobu District Municipality											
B			1 800	1 825	1 900	1 070			5 657	2 782	2 933
B			1 800	1 825	1 900	1 000			5 587	2 782	2 933
B			1 700	1 725	1 800	1 997			7 627	8 682	8 833
B			1 800	1 825	1 900	1 420			4 150	2 782	2 933
B			1 800	1 825	1 900	1 872			4 602	2 782	2 933
C			1 250	1 250	1 250	3 466			5 656	2 210	2 293
Total: Siyobu District Municipality			10 150	10 275	10 650	10 825			33 279	22 020	22 858
Total: KwaZulu-Natal Municipalities											
			32 239	31 645	31 000	148 959			457 433	282 201	332 084

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B); CURRENT GRANTS 2 OF 2

Category	Municipality	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Water Services Operating Subsidy Grant		SUB-TOTAL: CURRENT		
		National and Municipal Financial Year 2016/17 (R'000)	National and Municipal Financial Year 2017/18 (R'000)	National and Municipal Financial Year 2016/17 (R'000)	National and Municipal Financial Year 2017/18 (R'000)	National and Municipal Financial Year 2016/17 (R'000)	National and Municipal Financial Year 2017/18 (R'000)	National and Municipal Financial Year 2016/17 (R'000)	National and Municipal Financial Year 2017/18 (R'000)	National and Municipal Financial Year 2016/17 (R'000)	National and Municipal Financial Year 2017/18 (R'000)	
LIMPOPO												
B	LIM331 Greater Giyani		1 675	1 810	2 145	1 581				4 186	2 767	3 178
B	LIM332 Greater Letaba		1 675	1 810	2 145	1 489				4 094	2 767	3 178
B	LIM333 Greater Tzaneen		1 675	1 810	2 145	1 842				9 447	2 767	8 178
B	LIM334 Be-Pilaborwa		1 675	1 810	2 145	1 188				3 803	2 770	3 178
B	LIM335 Mandeng		1 800	1 825	1 900	1 038				3 768	2 782	2 933
C	DC33 - Mayah District Municipality		1 325	1 460	1 795	1 630				3 895	2 420	2 825
	Total: Mpumalanga Municipalities		9 825	10 825	12 275	8 768				29 191	21 273	23 473
B	LIM341 Masina		1 800	1 825	1 900	1 112				3 852	2 782	2 933
B	LIM342 Mutale		1 875	2 010	2 345	1 131				3 936	2 967	3 378
B	LIM343 Thulamela		1 600	1 625	1 700	2 302				4 832	2 582	2 733
B	LIM344 Mkhado		1 600	1 625	1 700	1 335				8 865	7 582	7 733
C	DC34 - Vhembe District Municipality		1 325	1 460	1 795	4 344				78 609	82 420	79 054
	Total: Vhembe Municipalities		8 200	8 545	9 440	10 224				100 094	98 333	95 841
B	LIM351 Blouberg		1 800	1 825	1 900	1 613				4 343	2 782	2 933
B	LIM352 Aganang		1 800	1 825	1 900	1 357				4 087	2 782	2 933
B	LIM353 Molemole		1 600	1 625	1 700	1 000				3 530	2 582	2 733
B	LIM354 Polokwane	5 000	1 875	2 010	2 345	4 516				12 321	7 967	8 491
B	LIM355 Lepete-Skampi		1 675	1 810	2 145	1 525				4 130	2 767	3 178
C	DC35 - Capricorn District Municipality		1 250	1 250	1 250	1 921				39 111	42 210	33 208
	Total: Capricorn Municipalities	5 000	10 000	10 345	11 240	11 932				67 822	61 090	53 476
B	LIM361 Thabazimbi		1 675	1 810	2 145	2 735				9 340	7 767	8 178
B	LIM362 Lephalale		1 600	1 625	1 700	1 187				18 717	12 582	17 733
B	LIM364 Mookgopong		1 800	1 825	1 900	1 097				3 827	2 782	2 933
B	LIM365 Modimolle		1 675	1 810	2 145	1 598				4 203	2 767	3 178
B	LIM366 Bela-Bela		1 600	1 625	1 700	1 083				3 613	2 582	2 733
B	LIM367 Mogalakwena		1 600	1 625	1 700	2 150				24 680	32 582	27 733
C	DC36 - Waterberg District Municipality		1 250	1 250	1 250	1 000				3 190	2 210	2 283
	Total: Waterberg Municipalities		11 200	11 570	12 540	10 850				67 570	63 272	64 771
B	LIM471 Ephraim Mogale		1 675	1 810	2 145	1 157				3 762	2 767	3 178
B	LIM472 Elias Mosisoledi		1 600	1 625	1 700	1 163				3 693	2 582	2 733
B	LIM473 Mkhuduhumaga		1 600	1 625	1 700	1 069				3 599	2 582	2 733
B	LIM474 Fetakgomo		1 800	1 825	1 900	1 000				3 730	2 782	2 933
B	LIM475 Greater Tlhabane		1 675	1 810	2 145	1 229				3 834	2 767	3 178
C	DC37 - Sekhukhune District Municipality		1 250	1 250	1 250	1 939				4 129	2 210	2 283
	Total: Sekhukhune Municipalities		9 600	9 945	10 840	7 857				22 747	15 690	17 038
	Total: Limpopo Municipalities	5 000	5 000	5 113	5 113	48 825	50 930	56 335		287 126	259 658	254 599

ANNEXURE W4
 SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B); CURRENT GRANTS 2 OF 2

Category	Infrastructure Skills Development Grant				Local Government Financial Management Grant				Expanded Public Works Programme Integrated Grant for Municipalities				Water Services Operating Subsidy Grant				SUB-TOTAL: CURRENT			
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year			
	2013/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2017/18 (R'000)	2013/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2017/18 (R'000)	2013/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2017/18 (R'000)	2013/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2017/18 (R'000)	2013/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	
NORTHERN CAPE																				
B	NG061	Richtersveld			1 800	1 825	1 900	1 900								3 730	2 782	2 933		
B	NG062	Nama Khoi			1 675	1 810	1 900	1 900	1 000	1 000						3 605	2 767	3 178		
B	NG064	Kamiesberg			1 875	2 010	2 345	2 345								2 805	2 967	3 378		
B	NG065	Hantam			1 800	1 825	1 900	1 900	1 153							3 883	2 782	2 933		
B	NG066	Karoo Hoogland			1 800	1 825	1 900	1 900	1 000							3 730	2 782	2 933		
B	NG067	Kluis-Ma			1 800	1 825	1 900	1 900	1 000							2 730	2 782	2 933		
C	DC6	Namakwa District Municipality			1 250	1 250	1 250	1 250	1 000							3 180	2 210	2 283		
		Total: Namakwa Municipalities			12 000	12 370	13 340	13 340	5 153							23 663	19 072	20 571		
B	NG071	Uitenhage			1 800	1 825	1 900	1 900	1 000							3 730	2 782	2 933		
B	NG072	Umsobomvu			1 800	1 825	1 900	1 900	1 000							10 740	5 782	12 933		
B	NG073	Emnitheni			1 600	1 625	1 700	1 700	1 000							3 530	2 582	2 733		
B	NG074	Kareeberg			1 800	1 825	1 900	1 900	1 000							3 730	2 782	2 933		
B	NG075	Renesseberg			1 875	2 010	2 345	2 345	1 000							3 805	2 967	3 378		
B	NG076	Thembelihle			1 875	2 010	2 345	2 345	1 000							3 805	2 967	3 378		
B	NG077	Siyathamba			1 875	2 010	2 345	2 345	1 000							3 805	2 967	3 378		
B	NG078	Sydenham			1 875	2 010	2 345	2 345	1 000							3 805	2 967	3 378		
C	DC7	Psley Ka Seme District Municipality			1 250	1 250	1 250	1 250	1 000							3 180	2 210	2 283		
		Total: Pixley Ka Seme Municipalities			15 750	16 390	18 030	18 030	9 000							40 130	28 006	37 327		
B	NG081	Mier			1 875	2 010	2 345	2 345	1 000							3 805	2 967	3 378		
B	NG082	Kai Garib			1 875	2 010	2 345	2 345	1 189							3 994	2 967	3 378		
B	NG083	//Kara Hais			1 600	1 625	1 700	1 700	1 000							9 530	5 582	7 733		
B	NG084	IKhes			1 875	2 010	2 345	2 345	1 000							5 805	7 967	8 378		
B	NG085	Tsantsabane			1 875	2 010	2 345	2 345	1 000							3 805	2 967	3 378		
B	NG086	Kgatelopele			1 875	2 010	2 345	2 345	1 000							3 805	2 967	3 378		
C	DC8	Z.F. Mgcawu District Municipality			1 250	1 250	1 250	1 250	1 000							3 180	2 210	2 283		
		Total: Siyanda Municipalities			12 225	12 925	14 675	14 675	7 189							33 924	27 627	31 906		
B	NG091	Soi Pletjije		4 000	1 600	1 625	1 700	1 700	4 984							11 014	6 582	6 733		
B	NG092	Digatlong			1 875	2 010	2 345	2 345	1 090							3 895	2 967	3 378		
B	NG093	Mgareng			1 800	1 825	1 900	1 900	1 138							3 868	2 782	2 933		
B	NG094	Phokwane			1 675	1 810	2 145	2 145	1 170				25 000			28 775	22 767	18 178		
C	DC9	Frances Baard District Municipality			1 250	1 250	1 250	1 250	1 000							3 190	2 210	2 283		
		Total: Frances Baard Municipalities		4 000	8 200	8 520	9 340	9 340	9 582				25 000	20 000	15 000	50 742	37 308	33 505		
B	NG451	Joe Morolong			1 675	1 810	2 145	2 145	2 336							27 441	17 767	19 004		
B	NG452	Ge-Segonyana			1 675	1 810	2 145	2 145	1 050				22 500	15 000	15 826	21 165	13 471	15 178		
B	NG453	Gamagara			1 600	1 625	1 700	1 700	1 000				17 500	10 701	12 000	3 530	2 582	2 733		
C	DC45	John Tsiso Gqeswe District Municipality			1 250	1 250	1 250	1 250	1 000							6 180	5 210	5 283		
		Total: John Tsolo Gqeswe Municipalities			6 200	6 495	7 240	7 240	5 386				40 000	25 701	27 826	58 316	39 030	42 195		
		Total: Northern Cape Municipalities			6 500	54 375	56 700	62 625	36 110				65 000	45 701	42 826	206 775	151 043	165 507		

ANNEXURE W4
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B); CURRENT GRANTS 2 OF 2

Category	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Water Services Operating Subsidy Grant		SUB-TOTAL: CURRENT			
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year			
	2016/17 (R'000)	2017/18 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2017/18 (R'000)	
WESTERN CAPE												
A	CPT - City of Cape Town	7 526	7 971	10 950	10 850	1 050	23 616			57 895	37 724	58 806
B	WC011 Matieland			1 450	1 475	1 550	1 000			4 880	3 432	4 583
B	WC012 Cederberg			1 450	1 475	1 550	1 007	1 300	1 000	6 387	5 432	7 583
B	WC013 Bejarvier			1 450	1 475	1 550	1 070	3 000	5 000	3 460	2 432	2 583
B	WC014 Saldanha Bay			1 450	1 475	1 550	1 000			3 380	2 432	2 583
B	WC015 Swartland			1 450	1 475	1 550	1 185			3 565	2 432	2 583
C	DC1 - West Coast District Municipality			1 250	1 250	1 250	1 000			3 180	2 210	2 283
	Total: West Coast Municipalities			8 500	8 625	9 000	6 262	4 500	4 000	24 852	18 370	22 198
B	WC022 Witzberg			1 450	1 475	1 550	1 041			3 421	2 432	2 583
B	WC023 Drakenstein			1 450	1 475	1 550	1 112			3 492	2 432	2 583
B	WC024 Stellenbosch			1 450	1 475	1 550	1 075			9 455	12 432	12 583
B	WC025 Breede Valley			1 450	1 475	1 550	1 000			3 380	2 432	2 583
B	WC026 Langeberg			1 450	1 475	1 550	1 494			3 884	2 432	2 583
C	DC2 - Cape Winelands District Municipality			1 250	1 250	1 250	1 000			3 180	2 210	2 283
	Total: Cape Winelands Municipalities			8 500	8 625	9 000	6 722			26 812	24 370	25 198
B	WC031 Theewaterskloof			1 600	1 625	1 700	1 086			3 616	2 582	2 733
B	WC032 Overstrand			1 450	1 475	1 550	1 661			4 041	2 432	2 583
B	WC033 Cape Agulhas			1 450	1 475	1 550	1 000			3 380	2 432	2 583
B	WC034 Swellendam			1 600	1 625	1 700	1 215			3 755	2 585	2 743
C	DC3 - Overberg District Municipality			1 250	1 250	1 250	1 000			3 180	2 210	2 283
	Total: Overberg Municipalities			7 350	7 450	7 750	5 962			17 972	12 241	12 925
B	WC041 Kammanland			1 675	1 810	2 145	1 000			3 605	2 767	3 178
B	WC042 Hessequa			1 450	1 475	1 550	1 000			3 380	2 432	2 583
B	WC043 Mosel Bay			1 450	1 475	1 550	1 499			3 879	2 432	2 583
B	WC044 George		3 500	1 450	1 475	1 550	1 864			7 244	5 432	6 083
B	WC045 Oudshoorn			1 450	1 475	1 550	1 405			6 785	5 432	10 583
B	WC047 Blou			1 450	1 475	1 550	1 052			3 432	2 432	2 583
B	WC048 Knysna			1 450	1 475	1 550	1 002			3 382	2 432	2 583
C	DC4 - Eden District Municipality			1 250	1 250	1 250	1 005			3 185	2 210	2 283
	Total: Eden Municipalities			11 625	11 910	12 695	9 827			34 892	25 569	32 459
B	WC051 Langsburg			1 700	1 725	1 800	1 000			6 630	5 682	7 833
B	WC052 Prince Albert			1 600	1 625	1 700	1 000			3 542	2 582	2 743
B	WC053 Beaufort West			1 600	1 625	1 700	1 743			3 218	2 210	2 300
C	DC5 - Central Karoo District Municipality			1 250	1 250	1 250	1 038			2 566	1 606	2 000
	Total: Central Karoo Municipalities			6 150	6 225	6 450	4 781			25 663	16 056	20 609
	Total: Western Cape Municipalities			10 526	10 971	15 500	57 170	4 500	4 000	188 086	134 330	152 197
	Unallocated									261 149	983 913	1 066 708
	National Total			124 465	130 471	140 774	587 685	452 915	465 701	2 447 046	2 589 514	2 809 158

ANNEXURE W5

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B)
(National and Municipal Financial Years)**

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2

Category	Municipal Disaster Recovery Grant		Municipal Infrastructure Grant		Integrated National Electrification Programme (Municipal Grant)		Urban Settlements Development Grant		Integrated City Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)	
	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)
KWAZULU-NATAL												
Municipality												
A												
B	20 000	30 000	18 560	19 145	20 022	20 022	30 000	31 500	37 600	46 781	45 083	70 000
B	6 000		20 060	20 710	21 684	21 684	8 000	8 400	11 000			60 000
B	11 095	10 000	34 522	35 796	37 706	37 706	12 000	12 600	14 000			
B			22 672	23 435	24 578	24 578	8 000	8 400	11 000			
B			14 367	14 771	15 377	15 377	8 000	8 400	11 000			
B			50 122	52 069	54 987	54 987	25 000	25 600	36 000			
C			249 316	259 859	275 663	275 663						
DC2.1			409 619	425 785	450 017	450 017	28 000	29 400	36 000			
Total Ugu Municipalities	37 095	40 000	406 747	422 573	446 297	446 297	65 000	67 000	73 000			30 000
B			26 764	27 703	29 111	29 111	18 000	18 900	22 000			
B			22 249	22 993	24 109	24 109	5 000	5 000	6 000			
B			12 295	12 610	13 082	13 082	6 000	6 300	8 000			
B			12 063	12 368	12 825	12 825	6 000	6 300	8 000			
B			192 456	200 546	212 671	212 671	10 000	10 500	15 000			30 000
B			16 851	17 362	18 129	18 129	10 000	10 000	8 000			
B			18 017	18 579	19 421	19 421	10 000	10 000	12 000			
C			106 052	110 412	116 949	116 949						
DC2.2			406 747	422 573	446 297	446 297	65 000	67 000	73 000			30 000
Total Ungungundlovu Municipalities	50 000	50 000	42 647	44 272	46 707	46 707	15 000	16 000	18 000			20 000
B			22 051	22 787	23 890	23 890	8 000	8 000	7 000			
B			17 955	18 514	19 352	19 352	15 000	15 700	15 000			
B			27 456	28 425	29 877	29 877	10 000	10 500	10 000			
B			23 517	24 316	25 513	25 513	18 000	19 000	20 000			
C			181 247	188 853	200 253	200 253						
DC2.3			314 873	327 167	345 592	345 592	66 000	61 200	70 000			
Total Umhela Municipalities	50 000	50 000	14 841	15 265	15 902	15 902	10 000	10 500	12 000			30 000
B			30 246	31 335	32 968	32 968	20 000	21 000	23 000			
B			38 048	39 474	41 612	41 612	20 000	21 000	23 000			
B			26 570	27 501	28 896	28 896	25 000	25 000	12 000			
C			182 835	190 509	202 012	202 012						
DC2.4			292 540	304 084	321 390	321 390	75 000	77 500	70 000			
Total Umzinyathi Municipalities	120	120	110 705	115 266	122 104	122 104	8 000	8 500	10 000			30 000
B			9 183	9 364	9 635	9 635	10 000	15 700	18 000			
B			21 074	21 767	22 807	22 807	5 000	5 000				
C			40 119	41 634	43 906	43 906						
DC2.5			181 081	188 031	198 452	198 452	23 000	29 200	28 000			30 000
Total Amathole Municipalities			22 000	22 000	22 000	22 000	22 000	22 000	22 000			30 000

**ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

Category	Municipal Disaster Recovery Grant		Municipal Infrastructure Grant		Integrated National Electrification Programme (Municipal Grant)		Urban Settlements Development Grant		Integrated City Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)	
	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)
LIMPOPO												
B	20 000											
LM431			58 660	60 975	64 446	10 000	10 000					
LM432			55 692	57 880	61 159	30 000	20 000					
LM433			91 191	94 911	100 486	7 000	7 000					
LM434			31 044	32 168	33 852	7 000	10 000					
LM435			25 830	26 729	28 077	7 000						
DC33			445 152	464 146	492 617							
Total: Mpumali Municipalities	20 836		707 569	736 809	780 637	54 000	37 000	45 000				
B			19 656	20 288	21 236							
LM434			25 060	25 926	27 224							
LM434			132 820	138 336	146 604	60 000	40 000	40 000				
LM444			112 264	116 892	123 831	17 000	20 000	20 000				
DC34			504 351	525 899	558 200							
Total: Vhembe Municipalities	794 151		827 341	877 095	877 095	77 000	60 000	60 000				
B			39 903	41 409	43 667	7 000	7 000	10 000				
LM451			33 371	34 595	36 430							
LM452			30 017	31 097	32 715							
LM453			275 800	287 485	305 002	40 000	40 000	40 000				30 000
LM454			52 128	54 162	57 211	10 000	10 000	15 000				20 000
LM455			259 966	270 969	287 461							24 000
DC35			691 185	719 171	762 486	57 000	57 000	65 000				20 000
Total: Capricorn Municipalities	20 836		691 185	719 171	762 486	57 000	57 000	65 000				20 000
B			29 172	30 215	31 779							
LM461			36 750	38 120	40 174							
LM462			16 156	16 637	17 359							
LM464			22 875	23 646	24 802	10 000	15 000	15 000				
LM466			22 971	23 746	24 909	2 000	30 000	30 000				
LM467			143 238	149 204	158 145	10 000	15 000	15 000				
DC36			271 162	281 568	297 168	22 000	60 000	60 000				
Total: Waterberg Municipalities	20 836		271 162	281 568	297 168	22 000	60 000	60 000				
B			32 405	33 588	35 360							
LM471			53 102	55 178	58 289	10 000	10 000	10 000				
LM472			59 950	62 322	65 876							
LM473			22 109	22 848	23 955							
LM474			64 459	67 025	70 871	70 000	80 000	80 000				5 000
LM475			464 506	484 335	514 057	80 000	90 000	90 000				5 000
DC47			696 531	725 296	768 408	80 000	90 000	90 000				5 000
Total: Sekhukhune Municipalities	20 836		696 531	725 296	768 408	80 000	90 000	90 000				5 000
Total: Limpopo Municipalities	20 836		3 160 598	3 290 731	3 485 794	290 000	304 000	320 000				24 000
Total: Limpopo Municipalities	20 836		3 160 598	3 290 731	3 485 794	290 000	304 000	320 000				24 000

**ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

Category	Municipal Disaster Recovery Grant		Municipal Infrastructure Grant		Integrated National Electrification Programme (Municipal Grant)		Urban Settlements Development Grant		Integrated City Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)	
	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)
Municipality												
NORTH WEST												
B			102 404	106 608								
B	NW371	Moretele	254 461	265 226	281 362	112 908						
B	NW372	Midburg	202 243	211 276	224 067	21 000	7 000	10 000				
B	NW373	Rustenburg	23 318	24 109	25 294	15 000	15 000					
B	NW374	Kgetlengrivier	135 375	141 001	149 434							
B	NW375	Moses Kotane										
C	DC37	Botswana Platinum District Municipality										
	Total: Botswana Platinum Municipalities		718 301	748 220	793 065	31 000	22 000	25 000			5 000	15 000
B	NW381	Rafou	28 311	29 525	31 046							
B	NW382	Tswaing	28 390	29 399	30 912							
B	NW383	Mafikeng	59 184	61 522	65 027							
B	NW384	Ditsobotla	35 392	36 703	38 669	2 000	7 000	3 000				
B	NW385	Ramoshare Moilela	35 982	37 319	39 324	15 000	5 000	2 000				
C	DC38	Ngala Modiri Molema District Municipality	294 295	306 779	325 462							
	Total: Ngala Modiri Molema Municipalities		481 754	501 247	530 470	17 000	15 000	8 000				
B	NW392	Naledi	16 544	17 042	17 788	15 000	6 000	10 000				
B	NW393	Mamusa	15 306	15 751	16 418	2 000	2 000	2 000				
B	NW394	Greater Tlokweng	46 052	47 824	50 479							
B	NW396	Lekwa-Terame	14 437	14 844	15 454	5 000	7 000	2 000				
B	NW397	NW397	29 154	30 197	31 759							
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	136 575	142 553	150 764							
	Total: Dr Ruth Segomotsi Mompati Municipalities		258 668	267 911	282 662	22 000	13 000	14 000				
B	NW401	Venterdorp	22 420	23 172	24 299	5 000	8 000	5 000				
B	NW402	Tlokwe	47 028	48 841	51 560	15 400	15 400	20 000				
B	NW403	City of Mankgana	84 493	87 924	93 066	5 000	19 000	20 000				
B	NW404	Maquassi Hills	27 367	28 332	29 779			5 900				
C	DC40	Dr Kenneth Kaunda District Municipality										
	Total: Dr Kenneth Kaunda Municipalities		181 308	188 569	198 704	10 000	42 400	50 900			25 000	25 000
	Total: North West Municipalities		1 639 431	1 705 647	1 804 901	80 000	92 400	97 900			30 000	35 000

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B) 2 OF 2

Category	Municipality	Public Transport Network Grant		Rural Roads Asset Management Systems Grant		Municipal Water Infrastructure Grant		Rural Households Infrastructure Grant		SUB-TOTAL: INFRASTRUCTURE	
		2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
EASTERN CAPE											
A	BUF Buffalo City		38 306							768 737	846 567
A	NMA Nelson Mandela Bay	372 256	359 330							1 279 944	1 322 727
B	ECI 01 Camdeboo									14 441	18 701
B	ECI 02 Blue Crane Route									13 982	14 369
B	ECI 03 Ikwazi									7 832	7 954
B	ECI 04 Makhana									23 695	24 501
B	ECI 05 Ndlambe									26 487	27 414
B	ECI 06 Sundays River Valley									26 363	25 720
B	ECI 07 Baviaans									8 870	9 037
B	ECI 08 Kouga									34 900	41 913
B	ECI 09 Koo-Kamma									17 019	18 452
C	DCI 0 Sirih Baramba District Municipality			2 200	2 261					2 200	2 261
	Total: Sirih Baramba District Municipality			2 200	2 261					175 789	190 322
	Total: Eastern Cape Municipalities									680 729	633 960
B	ECI 21 Mbashe									76 333	83 548
B	ECI 22 Nqunna									77 167	79 634
B	ECI 23 Great Kei									14 065	15 413
B	ECI 24 Amathali									32 317	33 496
B	ECI 26 Ngushwa									23 484	24 282
B	ECI 27 Nkonkobe									45 426	44 653
B	ECI 28 Nquthu			2 734	2 806	80 850	40 190	50 737		14 560	15 081
C	DCI 2 Amantole District Municipality			2 734	2 806	80 850	40 190	50 737		542 173	519 286
	Total: Amantole District Municipality			2 734	2 806	80 850	40 190	50 737		825 525	805 403
B	ECI 31 Inxuba Yethemba									23 700	26 162
B	ECI 32 Tsobhana									12 603	13 025
B	ECI 33 Loksanga									9 316	9 781
B	ECI 34 Lulekani									40 971	45 437
B	ECI 35 Inxuba Yethu									60 362	68 888
B	ECI 36 Emahloleni									53 226	48 400
B	ECI 37 Egesho									57 304	53 698
B	ECI 38 Sakhisizwe									21 989	18 550
C	DCI 3 Chris Hani District Municipality			3 016	3 097	120 608	57 568	64 138		401 168	350 298
	Total: Chris Hani District Municipality			3 016	3 097	120 608	57 568	64 138		680 729	633 960
B	ECI 41 Elundini									57 992	59 416
B	ECI 42 Senou									37 262	38 654
B	ECI 43 Manketsi									12 180	12 490
B	ECI 44 Garies									11 889	11 456
C	DCI 4 Joe Gqabi District Municipality			2 080	2 136	25 011	7 328	7 731		181 361	174 676
	Total: Joe Gqabi District Municipality			2 080	2 136	25 011	7 328	7 731		299 984	296 692
B	ECI 53 Nguzana Hill									70 704	79 762
B	ECI 54 Port St Johns									33 278	34 498
B	ECI 55 Nyandeni									83 809	81 132
B	ECI 56 Mhlonlo									55 193	58 798
B	ECI 57 King Sabata Dalindyebo									103 665	105 059
C	DCI 5 O.R. Tambo District Municipality			2 693	2 773	124 303	85 675	155 337		744 191	736 561
	Total: O.R. Tambo District Municipality			2 693	2 773	124 303	85 675	155 337		1 090 840	1 095 810
B	EC441 Mautiele									77 644	79 484
B	EC442 Umtzimvubu									77 864	76 584
B	EC443 Nbizana									71 783	73 586
B	EC444 Ntabankulu			2 100	2 157	91 071	90 219	167 241		56 395	62 318
C	DC44 Alfred Nzo District Municipality			2 100	2 157	91 071	90 219	167 241		459 280	479 090
	Total: Alfred Nzo District Municipality			2 100	2 157	91 071	90 219	167 241		743 166	771 062
	Total: Eastern Cape Municipalities			372 256	397 636	439 656	15 230	441 843	4 000	5 865 014	5 962 543
	Total: Eastern Cape Municipalities										6 478 444

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B) 2 OF 2

Category	Public Transport Network Grant			Rural Roads Asset Management Systems Grant			Municipal Water Infrastructure Grant			Rural Households Infrastructure Grant			SUB-TOTAL: INFRASTRUCTURE		
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
	Municipality			Municipality			Municipality			Municipality			Municipality		
FREE STATE															
A. MAN. Mangaung		36 339	77 952											829 261	924 367
B. FS161 Letsemeng													16 978	18 495	19 270
B. FS162 Kopong													21 952	22 614	27 007
B. FS163 Molebare							15 000	5 265	8 500				33 254	23 897	32 658
B. FS164 Nalefi													13 404	13 741	19 124
C. DC16 Xhuteri District Municipality					2 059								1 892	1 961	2 059
Total: Xhuteri Municipalities					2 059			5 265	8 500				87 480	80 708	100 118
B. FS181 Masilooyana													25 230	26 038	30 750
B. FS182 Tokologo													18 133	18 614	21 334
B. FS183 Tswelopele													17 571	18 049	22 265
B. FS184 Matlhabeng													116 451	121 183	129 476
B. FS185 Naha				2 105	2 185								28 753	31 778	36 315
C. DC18 Lejweletswana District Municipality					2 294								2 105	2 185	2 294
Total: Lejweletswana Municipalities					2 294								208 243	217 847	242 434
B. FS191 Seicoto													47 453	49 721	50 870
B. FS192 Seiberg													42 528	43 827	49 225
B. FS193 Nkomo													27 873	27 280	31 750
B. FS194 Makgala Phofung										4 500	5 000	5 500	181 547	188 608	198 043
B. FS195 Phumelala													28 067	26 134	32 134
B. FS196 Mantsopa													22 428	23 251	22 984
C. DC19 Thabo Mofutsanyana District Municipality					2 225	2 225							2 225	2 307	2 422
Total: Thabo Mofutsanyana Municipalities					2 225	2 225				4 500	5 000	5 500	352 021	361 128	382 028
B. FS201 Mochaka													38 899	43 362	46 554
B. FS203 Nyanthe													43 637	46 175	48 480
B. FS204 Mestimholo													72 213	69 862	60 334
B. FS205 Mafube													25 811	29 537	30 624
C. DC20 Fzile Dabisi District Municipality					2 039	2 119							2 039	2 119	2 225
Total: Fzile Dabisi Municipalities					2 039	2 119							182 599	191 055	188 217
Total: Free State Municipalities		36 339	77 952		8 261	9 000		15 000	8 500	4 500	5 000	5 500	1 584 347	1 679 999	1 837 164
GAUTENG															
A. EKV Eburuleni		339 296	576 644										2 295 377	2 419 967	2 749 859
A. JHB City of Johannesburg		1 151 368	1 336 045										3 028 915	3 193 628	3 410 110
A. TSH City of Tshwane		931 609	994 692										2 608 594	2 679 001	2 841 318
B. G1421 Emfuleni													173 009	193 828	215 048
B. G1422 Midvaal													34 813	37 926	43 596
B. G1423 Lesedi					2 080	2 350							34 629	32 519	42 854
C. DC42 Seiberg District Municipality					2 080	2 467							2 080	2 350	2 467
Total: Seiberg Municipalities					2 080	2 467							244 531	266 623	303 965
B. G1481 Mogale City													139 110	155 900	168 971
B. G1482 Randfontein													56 590	44 953	46 996
B. G1483 Westonaria													54 371	54 156	57 832
B. G1484 Noratong City					2 204	2 484							66 008	70 060	76 508
C. DC48 West Rand District Municipality					2 204	2 484							2 204	2 484	2 608
Total: West Rand Municipalities					2 204	2 484							318 283	327 553	352 915
Total: Gauteng Municipalities		2 422 273	2 907 281		4 284	5 075							8 496 100	8 986 772	9 658 167

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B) 2 OF 2

Category	Public Transport Network Grant		Rural Roads Asset Management Systems Grant		Municipal Water Infrastructure Grant		Rural Households Infrastructure Grant		SUB-TOTAL: INFRASTRUCTURE		
	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	
KWAZULU-NATAL											
A. ETH eThekweni	882 168	930 609		1 016 782					2 867 285	2 996 368	3 203 042
B. KZN211 Vlamshlo									46 560	57 545	31 022
B. KZN212 Umfolozi									26 060	20 710	21 684
B. KZN213 Umzumbane									57 617	58 396	51 706
B. KZN214 uMuziwabantu									22 672	23 435	24 578
B. KZN215 Ezingolweni									14 367	14 771	15 377
B. KZN216 Hibiscus Coast									58 122	60 469	65 987
C. DC21 Ugu District Municipality			2 446	2 510	2 670	100 095	58 713	85 792	351 857	328 582	369 125
Totals Ugu Municipalities			2 446	2 510	2 670	100 095	58 713	85 792	577 255	560 908	579 479
B. KZN221 uMkhawathi									44 764	46 603	51 111
B. KZN222 uMogoti									27 249	27 993	24 109
B. KZN223 Mpofoana									18 295	18 910	21 082
B. KZN224 Impendle									18 063	18 668	20 825
B. KZN225 Nsunduzi	213 271	203 605				58 333	26 721	28 191	494 060	471 372	485 820
B. KZN226 Mkhambathini									26 851	27 362	26 129
B. KZN227 Richmond			2 329	2 384	2 537	80 080	30 235	52 998	28 017	28 579	31 421
C. DC22 Umgungundlovu District Municipality			2 329	2 384	2 537	80 080	30 235	52 998	188 461	145 031	172 884
Totals Umgungundlovu Municipalities			2 329	2 384	2 537	80 080	30 235	52 998	845 760	782 518	832 981
B. KZN232 Emanambithu/Leadsmyth									107 647	110 272	64 707
B. KZN233 Indaba									30 051	22 787	30 890
B. KZN234 Umsheni									32 955	34 214	34 352
B. KZN235 Okhahlamba									37 456	38 925	39 877
B. KZN236 Intshabane									41 317	43 316	45 313
C. DC23 Umhlabisa District Municipality			2 311	2 378	2 531	50 000	38 307	83 052	237 940	238 038	230 536
Totals Umhlabisa Municipalities			2 311	2 378	2 531	50 000	38 307	83 052	487 566	483 552	506 175
B. KZN241 Endumeni									24 841	25 765	27 902
B. KZN242 Nqutu									30 246	32 335	35 968
B. KZN243 Isinga									28 698	27 774	28 602
B. KZN244 Umvoti									5 690	52 574	46 602
C. DC24 Umzimandabi District Municipality			2 124	2 183	2 326	78 250	40 111	83 264	267 509	272 303	282 603
Totals Umzimandabi Municipalities			2 124	2 183	2 326	78 250	40 111	83 264	452 334	428 378	431 860
B. KZN252 Newcastle									155 530	167 379	176 466
B. KZN253 Enofelangeni									19 183	25 064	27 635
B. KZN254 Danthausen									26 074	26 767	22 807
C. DC25 Amathuba District Municipality			2 007	2 064	2 201	19 825	15 133	15 965	61 951	63 210	66 572
Totals Amathuba Municipalities			2 007	2 064	2 201	19 825	15 133	15 965	262 738	282 420	293 480

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B) 2 OF 2

Category	Municipality	Public Transport Network Grant		Road/Roads Asset Management Systems Grant		Municipal Water Infrastructure Grant		Rural Households Infrastructure Grant		SUB-TOTAL: INFRASTRUCTURE	
		2015/16	2017/18	2015/16	2017/18	2015/16	2017/18	2015/16	2017/18	2015/16	2017/18
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
B	KZN261 eDumbe									35 570	37 113
B	KZN262 uPhongolo									39 852	41 438
B	KZN263 Abqulusi									53 566	55 882
B	KZN265 Nongoma									42 891	44 609
B	KZN266 Ulundi									44 957	46 034
C	DC26 Zululand District Municipality	2 173	2 229	2 375	2 375	79 006	54 771	101 633	4 300	519 374	517 074
Total: Zululand Municipalities		2 173	2 229	2 375	2 375	79 006	54 771	101 633	4 300	519 374	517 074
B	KZN271 Umhlabuyalingana									48 827	50 771
B	KZN272 Jozini									51 213	53 860
B	KZN275 The Big 5 False Bay									19 419	20 096
B	KZN274 Hibisa									24 345	29 748
B	KZN275 Mbitshaba									30 776	30 388
C	DC27 Umdumbe District Municipality	2 447	2 516	2 676	2 676					216 866	216 238
Total: Umdumbe District Municipality		2 447	2 516	2 676	2 676					216 866	216 238
B	KZN281 Mhloli									33 382	34 718
B	KZN282 oMhlathuze									157 536	119 379
B	KZN283 Ntshabane									23 073	23 307
B	KZN284 oMlalazi									47 090	48 561
B	KZN285 Mhlabanjeni									20 904	21 245
B	KZN286 Nkandla									57 188	65 950
C	DC28 uThungulu District Municipality	2 321	2 379	2 532	2 532	88 118	51 069	96 078	4 300	265 769	240 429
Total: Uthungulu Municipalities		2 321	2 379	2 532	2 532	88 118	51 069	96 078	4 300	604 942	553 769
B	KZN291 Mandeni									53 886	50 526
B	KZN292 KwaDukuza									83 491	69 925
B	KZN293 Nqwebe									52 517	39 639
B	KZN294 Maphumulo									29 689	30 909
C	DC29 iLembe District Municipality	2 116	2 174	2 317	2 317	140 154	42 032	80 644	4 000	331 860	245 761
Total: ILembe Municipalities		2 116	2 174	2 317	2 317	140 154	42 032	80 644	4 000	551 443	436 760
B	KZN431 Ingwe									42 319	43 153
B	KZN432 Kwa Sani									7 530	7 639
B	KZN433 Greater Kosiad									16 867	17 379
B	KZN434 Uthulweze									54 335	56 170
B	KZN435 Unzimkhulu									61 978	50 574
C	DC43 Harry Gwala District Municipality	2 040	2 095	2 234	2 234	43 500	40 118	90 119	4 500	242 824	247 600
Total: Shongwe Municipalities		2 040	2 095	2 234	2 234	43 500	40 118	90 119	4 500	425 853	422 515
Total: KwaZulu-Natal Municipalities		1 095 439	1 134 214	1 216 740	1 216 740	803 068	418 744	740 455	21 082	7 985 996	7 884 924
Total: KwaZulu-Natal Municipalities										8 547 178	

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B) 2 OF 2

Category	Public Transport Network Grant				Rural Roads Asset Management Systems Grant				Municipal Water Infrastructure Grant				Rural Households Infrastructure Grant				SUB-TOTAL: INFRASTRUCTURE			
	2015/16		2017/18		2016/17		2017/18		2015/16		2016/17		2017/18		2015/16		2016/17		2017/18	
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
NORTHERN CAPE																				
B	NC061	Richersveld													8 753	9 350	8 496			
B	NC062	Nanna Kibi													20 245	17 644	16 242			
B	NC064	Kanniesberg													7 960	7 566	8 725			
B	NC065	Hantam													9 542	11 738	11 032			
B	NC066	Karoo Hoogland													8 005	8 135	9 329			
B	NC067	Kluis-Ma													9 188	9 804	8 977			
C	DC6	Namaquala District Municipality						2 800							2 376	2 667	2 800			
		Total: Namaquala Municipalities						2 800							66 069	66 904	65 601			
B	NC071	Uburu													11 790	12 996	11 806			
B	NC072	Umsobomvu													11 254	13 524	13 428			
B	NC073	Erinhanjani													13 398	14 195	13 641			
B	NC074	Kareeberg													7 928	8 054	8 244			
B	NC075	Renosterberg													8 890	8 493	8 648			
B	NC076	Thembéshile													9 289	9 475	9 752			
B	NC077	Syombamba													9 654	9 855	10 656			
B	NC078	Syounama													19 587	18 670	18 393			
C	DC7	Preley Ka-Sene District Municipality						3 122							2 657	2 973	3 122			
		Total: Preley Ka-Sene Municipalities						3 122							2 657	2 973	3 122			
B	NC081	Mier													6 780	6 857	6 972			
B	NC082	Kai-Gaib													23 284	24 308	24 594			
B	NC083	Kluis-Hills													29 588	24 339	26 476			
B	NC084	Kluis													10 748	11 488	11 074			
B	NC085	Tsunabane													15 189	15 592	16 255			
B	NC086	Kluis-Sheep													9 431	10 058	9 747			
C	DC8	Z.F. Mgcawu District Municipality						2 822							2 397	2 684	2 822			
		Total: Z.F. Mgcawu Municipalities						2 822							2 397	2 684	2 822			
B	NC091	Sol-Platjef													60 329	63 199	65 002			
B	NC092	Dikegatlong													19 836	21 433	21 328			
B	NC093	Magarang													13 939	12 196	12 580			
B	NC094	Phokwane													26 487	27 371	28 697			
C	DC9	Frances Baard District Municipality						2 548							2 153	2 427	2 548			
		Total: Frances Baard Municipalities						2 548							122 744	126 626	130 155			
B	NC451	Joe Morolong													118 599	134 092	141 584			
B	NC452	Ga-Segonyana													82 908	89 415	93 573			
B	NC453	Gamagara													31 864	42 161	67 605			
C	DC45	John Tsolo Gaetsewe District Municipality						1 914							1 755	1 823	1 914			
		Total: John Tsolo Gaetsewe Municipalities						1 914							235 126	267 491	304 676			
		Total: Northern Cape Municipalities						13 206							615 503	654 022	695 064			

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B) 2 OF 2

Category	Public Transport Network Grant		Rural Roads Asset Management Systems Grant		Municipal Water Infrastructure Grant		Rural Households Infrastructure Grant		SUB-TOTAL: INFRASTRUCTURE	
	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2017/18 (R'000)
Municipality										
NORTH WEST										
B NW371 Moretele									102 404	113 608
B NW372 Moleburg									295 489	292 226
B NW373 Rustenburg	552 567	490 230			20 028	12 000			782 310	726 506
B NW374 Kgetlengiser					12 000	15 000			23 318	24 109
B NW375 Moses Kotane									135 375	141 001
C DC37 Botswana Platinum District Municipality			2 010	2 175					2 010	2 175
Total: Botswana Platinum District Municipality	552 567	490 230	2 010	2 175	32 028	27 000			1 340 906	1 299 625
B NW381 Ralou									28 511	33 525
B NW382 Tswaing									28 390	32 399
B NW383 Mafikeng									59 184	61 522
B NW384 Ditsobotla									37 392	43 703
B NW385 Ramotshere Moiloa			2 316	2 381					296 611	309 160
C DC38 Ngaka Modiri Molema District Municipality			2 316	2 381					501 070	522 628
Total: Ngaka Modiri Molema District Municipality			2 316	2 381			4 000		501 070	522 628
B NW392 Naledi									31 544	23 042
B NW393 Mammisa									17 306	15 751
B NW394 Greater Tlating									46 652	47 824
B NW396 Lebowa-Tlemane									19 437	21 844
B NW397 NW397									29 154	30 197
C DC39 Dr Ruth Segomotsi Mompati District Municipality			2 231	2 290	30 000	35 000	4 500	4 500	173 306	184 043
Total: Dr Ruth Segomotsi Mompati District Municipality			2 231	2 290	30 000	35 000	4 500	4 500	316 799	322 701
B NW401 Venetiusdorp									27 420	31 172
B NW402 Tlokweng									47 028	64 241
B NW403 City of Mafetseng									114 493	131 924
B NW404 Maseru Hills			2 152	2 242					27 467	28 332
C DC40 Dr Kenneth Kaunda District Municipality			2 152	2 242					218 160	257 911
Total: Dr Kenneth Kaunda District Municipality			2 152	2 242					218 160	257 911
Total: North West Municipalities	552 567	490 230	8 709	9 088	62 028	62 000	4 500	8 500	2 377 335	2 402 865
										2 479 488

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES (SCHEDULE 5, PART B) 2 OF 2

Category	Public Transport Network Grant			Rural Roads Asset Management Systems Grant			Municipal Water Infrastructure Grant			Rural Households Infrastructure Grant			SUB-TOTAL: INFRASTRUCTURE		
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
WESTERN CAPE															
A CPT City of Cape Town	1 095 301	1 098 739	1 142 794										2 597 087	2 669 057	2 808 890
B WCO11 Matielkama													23 216	23 894	25 411
B WCO12 Cederberg													18 280	18 723	19 388
B WCO13 Bergvliet													17 201	17 598	20 193
B WCO14 Saldanha Bay													20 893	22 493	25 392
B WCO15 Swardland													20 709	21 387	22 403
C DC1 West Coast District Municipality				2 419	2 424	2 545							2 419	2 424	2 545
Total: West Coast Municipalities				2 419	2 424	2 545							102 718	106 519	115 332
B WCO22 Wizenberg													25 778	28 502	30 587
B WCO23 Drakenstein													38 046	42 300	44 179
B WCO24 Stellenbosch													38 657	39 936	44 855
B WCO25 Breede Valley													33 383	37 608	41 444
B WCO26 Langeberg													23 368	23 795	23 929
C DC2 Cape Winelands District Municipality				2 384	2 683	2 817							2 384	2 683	2 817
Total: Cape Winelands Municipalities				2 384	2 683	2 817							161 616	174 824	187 811
B WCO31 Theewaterskloof													30 627	33 517	34 852
B WCO32 Overstrand													29 417	26 126	29 187
B WCO33 Cape Agulhas													12 787	13 036	13 411
B WCO34 Swellendam				2 154	2 427	2 548							14 684	13 973	14 405
C DC3 Overberg District Municipality				2 154	2 427	2 548							2 154	2 427	2 548
Total: Overberg Municipalities				2 154	2 427	2 548							89 669	89 079	94 405
B WCO41 Kenneland													13 082	12 301	12 630
B WCO42 Prieska													46 332	45 692	46 230
B WCO43 Nosedu Bay													30 477	31 202	36 339
B WCO44 George	116 325	102 743	91 237										62 157	131 183	138 178
B WCO45 Oudshoorn													26 338	28 833	32 698
B WCO46 Plettenberg													26 622	28 253	29 089
B WCO47 Plettenberg													30 304	29 137	29 385
B WCO48 Kaniem													23 133	23 664	23 483
C DC4 Eden District Municipality				2 283	2 364	2 482							2 283	2 364	2 482
Total: Eden Municipalities	116 325	102 743	91 237	2 283	2 364	2 482							359 174	326 819	387 861
B WCO51 Laingsburg													9 562	10 629	8 730
B WCO52 Prince Albert													10 466	11 572	10 731
B WCO53 Beaufort West				1 794	1 866	1 959							28 647	29 020	31 579
C DC5 Central Karoo District Municipality				1 794	1 866	1 959							1 794	1 866	1 959
Total: Central Karoo Municipalities				1 794	1 866	1 959							50 469	53 087	52 999
Total: Western Cape Municipalities	1 209 826	1 201 482	1 234 031	11 034	11 764	12 351							3 360 733	3 419 385	3 544 296
National Total	5 953 090	6 162 691	6 609 895	96 842	101 514	107 309	1 185 802	1 185 802	1 185 802	48 182	113 479	124 245	36 439 693	37 254 269	39 910 647

ANNEXURE W6

ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6, PART B)

(National and Municipal Financial Years)

ANNEXURE WK
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE G, PART B)

Category	Municipality	Integrated National Electrification Programme (Ekono) Grant				Neighbourhood Development Partnership (Technical Assistance)				Baker Education Programme Grant				Regional Water Infrastructure Grant				Regional Bulk Infrastructure Grant				Regional Households Infrastructure Grant				SIB-TOTAL: NDMBCT					
		2015/16		2017/18		2015/16		2017/18		2015/16		2017/18		2015/16		2017/18		2015/16		2017/18		2015/16		2017/18		2015/16		2017/18			
		(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)	(R200)			
EASTERN CAPE		16.308		16.309		19.849																		18 111		17 726		20 726			
A	Buffalo City																														
A	Nelson Mandela Bay																														
B	George																														
B	EC001																														
B	EC002																														
B	EC003																														
B	EC004																														
B	EC005																														
B	EC006																														
B	EC007																														
B	EC008																														
B	EC009																														
B	EC010																														
Total: South Eastern Cape Municipalities		16.326		16.327		20.897																		476 654		179 247		220 597			
B	EC121																														
B	EC122																														
B	EC123																														
B	EC124																														
B	EC125																														
B	EC126																														
B	EC127																														
B	EC128																														
Total: Amathole District Municipality		134 333		134 561		169 539																		215 685		153 386		164 386			
B	EC131																														
B	EC132																														
B	EC133																														
B	EC134																														
B	EC135																														
B	EC136																														
B	EC137																														
B	EC138																														
Total: Chris Hani Municipalities		110 370		110 375		115 895																		275 503		258 000		154 716			
B	EC141																														
B	EC142																														
B	EC143																														
B	EC144																														
Total: Joe Slovo Municipalities		80 548		80 548		88 027																		275 503		258 000		154 716			
B	EC153																														
B	EC154																														
B	EC155																														
B	EC156																														
B	EC157																														
Total: O.F.S. District Municipality		281 493		281 504		309 927		600																310 000		275 000		470 284			
B	EC441																														
B	EC442																														
B	EC443																														
B	EC444																														
Total: Alfred Nzo District Municipality		185 036		185 036		201 671																		143 189		265 000		247 346			
Total: ALP of New Municipalities																								326 525		448 036		449 077			
Total: Eastern Cape Municipalities		824 354		824 600		887 595		2 803		2 440		1 440		448 685		954 000		1 263 366		1 176 733		20 000		2 249 842		2 109 626		2 065 767			

ANNEXURE W6
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6, PART B)

Category	Municipality	Integrated National Electrification Programme (Isibono) Grant		Neighbourhood Development Partnership (Technical Assistance) Grant		Bucket Education Programme Grant		Municipal Water Infrastructure Grant		Regional Bulk Infrastructure Grant		Regional Households Infrastructure Grant		SUB-TOTAL: NIDBREC		
		National and Municipal Financial Year (R'000)	2019/20	National and Municipal Financial Year (R'000)	2019/20	National and Municipal Financial Year (R'000)	2019/20	National and Municipal Financial Year (R'000)	2019/20	National and Municipal Financial Year (R'000)	2019/20	National and Municipal Financial Year (R'000)	2019/20	National and Municipal Financial Year (R'000)	2019/20	
FREE STATE																
A	MAN: Mankang	1 019	7 759	8 147										2 123	8 359	8 747
B	FS161: Letseweng	146	1 170	1 170										45 819	91 371	151 232
B	FS162: Maseru	57	4 352	4 352										2 825	11 627	12 452
B	FS163: Nkomo	141	1 157	1 157										53 141	46 157	1 157
B	FS164: Naledi	310	1 196	1 196										4 800	1 196	1 196
C	DC16: Xhariep District Municipality	688	4 723	4 723										136 563	170 620	245 241
B	FS181: Moshyama	150	1 184	1 184										55 150	43 184	30 184
B	FS182: Tokologo	3 488	1 246	246										36 488	36 246	50 246
B	FS183: Maseru	480	7 505	6 505										17 809	17 809	17 809
B	FS184: Maseru	609	2 905	6 505										6 000	7 488	6 000
B	FS185: Nala	809	3 011	3 566										17 809	18 011	3 566
C	DC18: Lejolele District Municipality	11 303	13 092	10 647										126 893	125 092	120 647
B	FS191: Setsoho	3 247	9 766	10 235										73 247	39 766	55 235
B	FS192: Dlabeng	552	10 207	11 207										36 132	35 207	41 207
B	FS193: Nkomo	18 420	8 947	9 347										108 420	38 947	54 347
B	FS194: Maseru	2 492	1 279	1 379										46 959	28 653	30 629
B	FS195: Phame-ela	2 659	1 213	1 413										27 440	28 616	28 616
B	FS196: Mantsopa	2 492	1 279	1 379										67 572	34 839	1 379
C	DC19: Thabo Mofemane District Municipality	54 005	35 660	35 660										392 854	333 640	337 150
B	FS201: Mochaka	2 458	10 456	12 256										43 892	65 456	32 256
B	FS203: Ngwata	182	80	1 080										40 182	45 080	60 549
B	FS204: Maseru	1 235	1 235	1 235										70 223	31 159	51 339
B	FS205: Naledi	223	1 159	1 359										154 378	142 925	145 019
C	DC20: Ficks-Dabi District Municipality	2 904	12 935	16 150										811 923	680 652	757 413
B	FS206: Maseru	70 209	71 149	74 706										5 744	9 164	11 699
A	ERU: Ekurhuleni	3 694	5 256	5 519										29 088	62 001	63 915
A	JHB: City of Johannesburg	28 201	60 801	61 191										60 103	108 473	84 713
A	TSU: City of Tshwane	25 203	7 059	5 913										189 370	243 761	175 219
B	GT421: Enliteni	3 677	6 161	9 619										108 000	70 000	45 000
B	GT422: Midval													15 000	80 000	84 206
C	DC42: Lesotho District Municipality	3 677	6 161	9 619										312 370	393 761	314 419
B	GT423: Maseru	3 198	5 212	5 971										11 451	15 812	28 571
B	GT424: Maseru	1 714	941	915										16 714	23 000	96 000
B	GT425: Maseru	12 561												17 561	8 000	16 000
C	DC28: West Rand District Municipality	17 661	6 093	6 854										55 914	59 653	163 454
C	DC28: West Rand District Municipality	79 436	153 330	163 096										463 319	633 052	638 200

ANNEXURE W6
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6, PART B)

Category	Municipality	Integrated National Electrification Programme (ENP) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		Bucket Radiation Programme Grant		Municipal Water Infrastructure Grant		Regional Bul & Infrastructure Grant		Regional Households Infrastructure Grant		SUB-TOTAL: INDBRECT	
		(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)
B	KZN261 Sheppards		5 096											5 096	5 351
B	KZN262 Abaqhali		28 831											28 831	28 831
B	KZN265 Nongoma	36 361	71 595											71 595	72 673
B	KZN266 Mthatha	41 540	12 671											12 671	13 303
B	KZN275 Mthunzweni District Municipality	28 298	15 305											15 305	15 305
C	Zulu District Municipality	12 671												12 671	12 671
Total: Zululand Municipalities		106 199	116 830	129 162				195 000	170 000	16 000	16 000	5 000		286 820	136 162
B	KZN271 Umhlabuyalingani	25 780												25 780	25 780
B	KZN272 The Big 5 Fike Bay	10 524	27 532											10 524	27 532
B	KZN274 Ilahisa	4 387	7 524											4 387	7 524
B	KZN275 Mthunzweni District Municipality	1 352	27 786											1 352	27 786
B	KZN276 Mthunzweni District Municipality	3 322												3 322	3 322
Total: Umhlabuyalingani Municipalities		42 043	62 842	65 609				305 000	45 000	74 773	74 773	5 000		380 818	388 978
B	KZN281 Mthatha	1 254	16 253											1 254	17 066
B	KZN282 Ntshongweni	42 660	6 052											42 660	48 712
B	KZN283 Ntshongweni	6 660	6 052											6 660	6 655
B	KZN284 uMkhosi	67 074	69 052											67 074	69 052
B	KZN285 Mthunzweni	14 608												14 608	14 608
B	KZN286 Mthunzweni	25 899	27 194											25 899	27 194
C	DC28 uMthunzweni District Municipality														
Total: Uthungulu Municipalities		126 318	143 330	129 486				275 000	262 224	183 500	183 500	5 328		406 646	312 986
B	KZN291 Mthunzweni		24 321											24 321	25 537
B	KZN292 KwaBukhosini		300											300	300
B	KZN293 Ntshongweni	80 192	59 717											80 192	59 717
B	KZN294 Mphahlele	41 830	46 207											41 830	46 207
B	KZN295 Mphahlele	15 166	108 065											15 166	108 065
Total: Uthungulu District Municipality		127 022	139 245	125 737				126 166	100 000	131 000	131 000	5 000		253 288	255 257
B	KZN431 Ingwe		13 768											13 768	14 456
B	KZN432 Ingwe		14 456											14 456	14 456
B	KZN433 GwaKheke	3 987	575											3 987	575
B	KZN434 Uthabekweni	14 777	15 516											14 777	15 516
B	KZN435 Umzimkhulu	26 351	27 762											26 351	27 762
B	DC31 Barry Gosale District Municipality														
Total: Shomane Municipalities		30 338	56 882	89 185				30 000	80 000	124 000	124 000	5 000		60 338	69 185
Total: KwaZulu-Natal Municipalities		815 666	854 279	875 992	4 008	4 047	6 000	1 183 000	871 377	716 028	716 028	25 328		2 061 337	1 891 174

ANNEXURE W6
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6, PART B)

Category	Municipality	Integrated National Electrification Programme (Energy Grant)		Neighbourhood Development Partnership (Technical Assistance)		Bucket Radiation Programme Grant		Municipal Water Infrastructure Grant		Regional Bul & Infrastructure Grant		Regional Households Infrastructure Grant		SUB-TOTAL: INDBRECT	
		(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)	(R/000)
LIMPOPO															
B	LM331 Greater Giyani	119 593	37 006	48 857										125 593	37 006
B	LM332 Greater Letaba	64 530	128 693	129 927										70 530	128 693
B	LM333 Greater Tlokoeng	28 826	41 429	49 601	300									28 826	41 429
B	LM334 Greater Tzaneen	18 435	18 435	18 435										18 435	18 435
C	DC33 Mopani District Municipality													282 699	255 866
	Total Limpopo Municipalities	228 488	238 909	258 984	300									521 487	494 875
B	LM341 Mosisi	3 523	11 772	12 361										3 523	11 772
B	LM342 Muela	97 346	26 994	28 344										97 346	26 994
B	LM343 Thulamela	88 857	153 986	158 186										88 857	153 986
C	DC34 Vhembe District Municipality													267 000	315 243
	Total Vhembe Municipalities	225 443	238 648	248 082										492 443	583 901
B	LM351 Bloemburg	23 131	24 076	24 331										23 131	24 076
B	LM352 Amandla	14 386	26 179	26 488										14 386	26 179
B	LM353 Molemole	11 360	8 278	8 692										11 360	8 278
B	LM354 Potlako	109 396	86 403	88 723	888	600								152 284	147 003
C	DC35 Capricorn District Municipality													20 000	20 000
	Total Capricorn Municipalities	188 382	167 927	173 355	888	600								248 270	283 857
B	LM361 Tlokoeng	8 515	5 004	5 189										8 515	5 004
B	LM362 Lephalale	32 965	27 957	28 854										32 965	27 957
B	LM364 Mookgongong	3 000	7 000	7 000										3 000	7 000
B	LM365 Medunsa	1 701	1 701	1 701										1 701	1 701
B	LM367 Mafikeng	29 997	25 616	26 896										29 997	25 616
C	DC36 Waterberg District Municipality													151 407	185 616
	Total Waterberg Municipalities	73 177	63 043	69 544										224 677	351 443
B	LM471 Ephraim Mosele	12 130	14 075	14 779										12 130	14 075
B	LM472 Elias Mosenedi	12 905	18 929	19 376										12 905	18 929
B	LM473 Mkhahlanga	86 637	49 457	24 171										86 637	49 457
B	LM474 Sekake	9 934	19 225	20 578										9 934	19 225
C	DC47 Sekhohane District Municipality													588 502	763 137
	Total Sekhohane Municipalities	127 702	155 600	133 170										716 407	918 137
	Total Limpopo Municipalities	838 195	864 157	880 105	1 188	600								2 203 084	2 602 583

2 203 084 2 602 583 2 224 675

ANNEXURE W6
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE G, PART B)

Category	Municipality	Integrated National Electrification Programme (Energy Grant)		Neighbourhood Development Partnership (Technical Assistance)		Bucket Fradication Programme Grant		Municipal Water Infrastructure Grant		Regional Bulk Infrastructure Grant		Regional Household Infrastructure Grant		SUB-TOTAL: INDIRECT	
		2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2015/16 (R'000)	2016/17 (R'000)
MPUMALANGA															
B	MPF01 Albert Luthuli	26 734	33 534	33 211										26 734	33 534
B	MPF02 Makheliso	16 484	22 999	23 149										16 484	22 999
B	MPF03 Mkhondo	45 468	39 267	38 080										45 468	38 080
B	MPF04 Mkhondo	2 228	1 450	1 472										2 228	1 450
B	MPF05 Lebo	5 387	450	473										5 387	450
B	MPF06 Dpalaseng	5 501	165	173										5 501	165
B	MPF07 GovanMbeki														
Total	Greater Shabane Municipalities	103 139	105 297	109 501										103 139	109 501
B	MPF11 Victor Khamye	5 715	450	473										5 715	450
B	MPF12 Steve Biko	1 841	1 883	1 883										1 841	1 883
B	MPF13 Steve Biko	2 622	841	883	100	1 800	600							2 622	841
B	MPF14 Emakhazeni	38 703	31 221	31 782										38 703	31 782
B	MPF15 Tembeka Hani	34 837	24 329	25 346										34 837	25 346
Total	Nkomagala Municipalities	81 877	58 755	65 095	100	1 800	600							81 877	65 095
B	MPF21 Thabo Chwen	26 876												26 876	
B	MPF22 Mbereshi	50 438	74 115	77 321	1 785	6 000	600							52 223	74 115
B	MPF23 Umyidali	32 065	35 011	38 011	300									32 065	35 011
B	MPF24 Nkomazi	34 648	54 519	55 494										34 648	55 494
Total	Ehlanzeni District Municipality	144 030	163 645	168 826	2 085	6 000	600	61 703	125 786	160 210				144 030	168 826
Total	MPUMALANGA Municipalities	338 045	327 697	344 082	2 185	2 400	1 200	182 063	294 515	466 138	60 000	84 357	102 693	389 077	543 117
Total	Mpumalanga Municipalities										284 000	335 447		797 193	900 859
															1 089 967

ANNEXURE W7

**EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES
(National and Municipal Financial Years)**

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES			
		National and Municipal Financial Year			National and Municipal Financial Year			
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	
EASTERN CAPE								
A	BUF	Buffalo City	655 141	643 419	649 421	1 475 191	1 532 188	1 637 182
A	NMA	Nelson Mandela Bay	774 616	789 729	834 568	2 093 221	2 142 778	2 243 604
B	EC101	Camdeboo	43 279	43 753	44 555	66 450	75 236	81 728
B	EC102	Blue Crane Route	44 654	44 143	43 491	62 166	61 094	61 174
B	EC103	Ikwezi	20 720	21 057	20 950	32 357	31 978	32 466
B	EC104	Makana	75 767	76 049	77 157	249 763	149 011	110 975
B	EC105	Ndlambe	73 102	76 509	79 625	305 318	217 205	301 962
B	EC106	Sundays River Valley	55 182	59 228	62 773	98 509	96 074	102 923
B	EC107	Baviaans	23 452	24 047	24 192	61 357	37 345	37 968
B	EC108	Kouga	82 099	91 310	100 056	202 965	137 241	148 049
B	EC109	Kou-Kamma	37 662	39 415	41 035	60 190	62 428	63 935
C	DC10	Sarah Baartman District Municipality	80 759	82 444	83 373	86 282	86 915	88 030
Total: Sarah Baartman Municipalities			536 676	557 955	577 207	1 225 357	954 527	1 029 210
B	EC121	Mbhashe	209 735	210 574	204 695	338 041	340 323	357 596
B	EC122	Mquma	234 405	232 254	224 209	375 754	370 122	370 529
B	EC123	Great Kei	42 202	41 379	39 588	60 072	59 759	58 901
B	EC124	Amahlathi	124 034	121 326	115 916	170 289	167 756	166 231
B	EC126	Ngushwa	82 854	80 993	77 425	117 204	115 303	116 995
B	EC127	Nkonkobe	130 357	129 198	124 581	197 431	194 510	197 777
B	EC128	Nxuba	26 561	26 185	25 223	44 851	44 048	43 208
C	DC12	Amathole District Municipality	699 595	740 645	794 777	1 472 810	1 415 537	1 462 010
Total: Amathole Municipalities			1 549 743	1 582 554	1 606 234	2 776 452	2 707 358	2 773 247
B	EC131	Inxuba Yethemba	40 912	38 527	36 043	68 525	67 456	61 600
B	EC132	Tsolwana	38 820	39 300	38 537	59 792	59 600	59 711
B	EC133	Inkwanca	24 998	25 145	24 581	38 044	37 429	37 295
B	EC134	Lukanji	117 676	115 174	111 362	168 132	168 930	166 355
B	EC135	Intsika Yethu	145 974	146 337	142 352	250 314	258 094	266 813
B	EC136	Emalaheni	116 537	117 289	114 454	215 696	210 784	217 229
B	EC137	Engobo	134 844	135 694	132 108	204 009	199 633	203 671
B	EC138	Sakhisizwe	59 581	59 362	57 411	98 541	93 935	93 647
C	DC13	Chris Hani District Municipality	446 759	478 364	512 703	1 136 831	1 099 122	1 057 379
Total: Chris Hani Municipalities			1 126 101	1 155 192	1 169 551	2 239 884	2 194 983	2 163 700
B	EC141	Ehundini	132 110	133 807	131 096	253 330	250 235	254 531
B	EC142	Senqu	135 985	135 567	131 602	203 974	202 941	204 021
B	EC143	Maletswai	27 487	27 646	27 673	46 482	48 918	49 561
B	EC144	Gariep	209 607	26 779	25 626	42 620	41 202	40 860
C	DC14	Joe Gqabi District Municipality	209 607	224 702	240 509	399 537	411 588	439 912
Total: Joe Gqabi Municipalities			532 815	548 501	556 506	945 943	954 884	988 885
B	EC153	Ngquza Hill	200 197	201 455	196 020	449 910	458 945	459 332
B	EC154	Port St Johns	120 534	121 258	117 951	187 583	188 137	177 290
B	EC155	Nyandeni	216 750	217 959	212 536	331 630	328 995	328 569
B	EC156	Mhlotlo	159 404	157 780	151 549	225 740	226 883	224 836
B	EC157	King Sabata Dalindyebo	251 210	253 935	251 266	409 546	407 360	416 796
C	DC15	O.R.Tambo District Municipality	622 201	671 954	721 881	1 695 600	1 846 185	2 056 239
Total: O.R.Tambo Municipalities			1 570 296	1 624 341	1 651 203	3 300 009	3 456 505	3 663 062
B	EC441	Matatiele	176 181	176 031	170 532	312 598	312 570	308 704
B	EC442	Umzimvubu	169 767	168 185	161 716	312 014	307 467	310 217
B	EC443	Mbizana	181 314	180 170	173 758	288 363	287 874	296 144
B	EC444	Ntabankulu	98 871	97 675	93 611	196 123	199 871	194 196
C	DC44	Alfred Nzo District Municipality	365 517	387 616	410 995	994 594	1 150 626	1 261 313
Total: Alfred Nzo Municipalities			991 610	1 009 677	1 010 612	2 103 692	2 258 408	2 370 574
Total: Eastern Cape Municipalities			7 737 038	7 911 368	8 055 302	16 159 749	16 201 631	16 869 464

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
FREE STATE							
A	MAN Mangaung	596 652	590 539	608 267	1 366 382	1 438 665	1 553 268
B	FS161 Letsemeng	49 784	46 735	43 779	116 011	159 383	217 214
B	FS162 Kopanong	78 370	69 687	61 096	137 318	126 785	182 492
B	FS163 Mohokare	54 870	53 785	52 936	144 995	126 621	89 684
B	FS164 Naledi	40 967	40 211	39 380	62 976	58 115	63 078
C	DC16 Xhariep District Municipality	30 091	30 500	30 273	35 274	34 671	34 615
Total: Xhariep Municipalities		254 082	240 918	227 464	496 574	505 575	587 083
B	FS181 Maseru	88 321	86 013	83 576	172 543	158 017	147 443
B	FS182 Tokologo	44 637	42 864	41 018	103 211	100 506	115 531
B	FS183 Tswelopele	62 570	58 858	54 941	97 190	104 835	115 285
B	FS184 Matjhabeng	402 909	377 726	359 950	529 937	509 181	499 109
B	FS185 Nala	120 422	107 030	93 457	170 789	159 786	136 716
C	DC18 Lejweleputswa District Municipality	110 390	111 991	112 917	115 675	116 386	117 494
Total: Lejweleputswa Municipalities		829 249	784 482	745 859	1 189 345	1 148 711	1 131 578
B	FS191 Setsoto	166 309	157 720	149 764	291 581	249 789	258 622
B	FS192 Dikhalabeng	125 216	121 929	121 212	209 806	207 545	213 077
B	FS193 Nketoana	80 525	77 945	76 015	220 456	146 754	164 845
B	FS194 Mafuti-a-Phofung	451 439	465 235	475 003	704 244	718 848	738 066
B	FS195 Phumelela	60 462	59 025	57 739	139 293	116 779	123 280
B	FS196 Mantsopa	69 174	66 756	64 723	162 779	127 613	92 264
C	DC19 Thabo Mofutsanyana District Municipality	96 978	98 550	98 822	102 591	103 067	103 527
Total: Thabo Mofutsanyana Municipalities		1 050 103	1 047 160	1 043 278	1 830 750	1 670 395	1 693 681
B	FS201 Moqhaka	161 083	156 489	154 096	247 670	268 074	236 084
B	FS203 Ngwathe	159 059	156 313	155 181	246 580	250 335	267 388
B	FS204 Metsimaholo	115 423	124 038	135 456	197 727	209 712	213 978
B	FS205 Mafube	78 587	76 201	74 250	178 426	139 864	159 611
C	DC20 Fezile Dabi District Municipality	140 135	142 101	143 726	145 354	146 430	148 234
Total: Fezile Dabi Municipalities		654 287	655 142	662 709	1 015 757	1 014 415	1 025 295
Total: Free State Municipalities		3 384 373	3 318 241	3 287 577	5 898 808	5 777 761	5 990 905
GAUTENG							
A	EKU Ekurhuleni	2 181 182	2 385 328	2 640 836	4 525 375	4 949 822	5 439 904
A	JHB City of Johannesburg	2 864 065	3 201 671	3 578 411	5 985 770	6 483 210	7 082 822
A	TSH City of Tshwane	1 654 390	1 886 413	2 131 544	4 371 636	4 689 593	5 074 980
B	GT421 Emfuleni	600 889	596 234	611 980	971 058	1 036 255	1 004 830
B	GT422 Midvaal	68 291	76 430	85 618	216 668	186 788	176 797
B	GT423 Lesedi	82 794	91 538	100 941	123 007	126 489	146 378
C	DC42 Sedibeng District Municipality	245 760	250 824	255 332	267 877	335 384	354 282
Total: Sedibeng Municipalities		997 734	1 015 026	1 053 871	1 578 610	1 684 916	1 682 287
B	GT481 Mogale City	259 185	286 333	317 887	413 392	460 477	516 012
B	GT482 Randfontein	95 613	98 270	104 449	175 628	166 496	188 911
B	GT483 Westonaria	121 466	129 865	138 671	201 812	211 953	298 086
B	GT484 Merafong City	168 320	158 626	154 062	261 194	239 268	249 303
C	DC48 West Rand District Municipality	184 842	188 849	192 250	190 226	193 543	197 141
Total: West Rand Municipalities		829 426	861 943	907 319	1 242 252	1 271 737	1 449 453
Total: Gauteng Municipalities		8 526 797	9 350 381	10 311 981	17 703 643	19 079 278	20 729 446

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category		Municipality		EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
				National and Municipal Financial Year			National and Municipal Financial Year		
				2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
KWAZULU-NATAL									
A	ETH	eThekweni	2 115 453	2 289 678	2 510 109	5 095 072	5 364 436	5 796 816	
B	KZN211	Vulamehlo	62 870	63 294	61 523	115 377	135 984	108 710	
B	KZN212	Umdoni	60 678	64 415	65 936	102 206	88 579	91 259	
B	KZN213	Umzumbhe	127 112	125 089	119 861	208 498	236 683	226 937	
B	KZN214	uMuziwabantu	76 322	77 571	76 242	108 446	103 788	103 753	
B	KZN215	Ezizoleni	43 543	44 037	43 046	63 927	61 590	61 356	
B	KZN216	Hibiscus Coast	125 965	132 233	136 793	213 963	218 603	229 498	
C	DC21	Ugu District Municipality	362 776	396 722	431 686	731 208	730 224	811 139	
Total: Ugu Municipalities			859 266	903 361	935 087	1 543 625	1 575 451	1 632 652	
B	KZN221	uMshwathi	84 824	86 127	85 373	152 415	135 676	139 581	
B	KZN222	uMngeni	44 316	47 340	50 609	75 533	77 915	77 451	
B	KZN223	Mpofana	27 603	27 815	27 611	49 628	49 657	51 776	
B	KZN224	Impendle	32 943	32 909	31 995	54 991	54 509	55 903	
B	KZN225	Msunduzi	395 786	421 033	458 801	940 641	897 176	949 543	
B	KZN226	Mkhambathini	51 341	52 669	52 170	85 050	82 897	81 317	
B	KZN227	Richmond	54 162	56 174	56 317	85 955	87 535	90 671	
C	DC22	Umgungundlovu District Municipality	398 469	432 422	468 463	591 619	577 663	643 230	
Total: Umgungundlovu Municipalities			1 089 444	1 156 489	1 231 339	2 035 832	1 963 028	2 089 472	
B	KZN232	Emnambithi/Ladysmith	120 062	120 269	119 645	271 043	281 462	239 541	
B	KZN233	Indaka	75 580	73 820	70 701	147 320	99 389	104 524	
B	KZN234	Umtshezi	50 138	52 557	53 690	100 233	110 877	117 275	
B	KZN235	Okhahlamba	98 494	98 317	95 287	140 483	146 103	144 480	
B	KZN236	Imbabazane	84 471	82 623	79 084	135 740	128 721	127 530	
C	DC23	Uthukela District Municipality	310 472	331 219	355 197	651 061	657 677	730 679	
Total: Uthukela Municipalities			739 217	758 805	773 604	1 445 880	1 424 229	1 464 029	
B	KZN241	Endumeni	41 242	42 121	42 690	69 738	70 468	73 325	
B	KZN242	Nqutu	115 965	115 953	112 456	217 250	200 256	203 502	
B	KZN244	Msinga	134 627	137 741	136 043	284 569	280 855	287 439	
B	KZN245	Umvoti	85 271	89 352	90 391	142 295	144 535	134 120	
C	DC24	Umzinyathi District Municipality	240 374	262 086	284 764	665 157	634 752	704 086	
Total: Umzinyathi Municipalities			617 479	647 253	666 344	1 379 009	1 330 866	1 402 472	
B	KZN252	Newcastle	298 215	299 978	307 066	469 589	513 995	530 194	
B	KZN253	Emadlangeni	21 017	21 232	20 783	43 960	49 078	51 351	
B	KZN254	Dannhauser	74 181	74 141	71 921	141 710	103 690	97 661	
C	DC25	Amajuba District Municipality	120 927	128 857	136 941	189 570	194 527	206 046	
Total: Amajuba Municipalities			514 340	524 208	536 711	844 829	861 290	885 252	

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
B	KZN261 eDumbe	57 632	57 919	56 452	96 987	97 814	99 311
B	KZN262 uPhongolo	96 890	98 096	96 501	143 921	147 412	150 102
B	KZN263 Abaqulusi	106 693	108 233	107 572	200 567	194 158	197 998
B	KZN265 Nongoma	123 997	124 259	120 410	217 782	243 245	244 701
B	KZN266 Ulundi	128 213	127 325	122 413	205 430	188 712	181 199
C	DC26 Zululand District Municipality	322 706	346 723	372 861	832 234	817 928	759 343
Total: Zululand Municipalities		836 131	862 555	876 209	1 696 921	1 689 269	1 632 654
B	KZN271 Umhlabuyalingana	121 138	125 459	124 997	199 769	179 015	182 865
B	KZN272 Jozini	136 441	138 632	136 049	202 807	222 306	225 470
B	KZN273 The Big 5 False Bay	31 134	32 633	32 708	56 140	55 511	57 752
B	KZN274 Hlabisa	49 368	50 337	49 344	83 687	90 391	93 953
B	KZN275 Mthabatha	116 487	121 754	122 015	154 345	197 710	202 679
C	DC27 Umkhanyakude District Municipality	265 376	292 876	320 377	829 715	751 256	893 276
Total: Umkhanyakude Municipalities		719 944	761 691	785 490	1 526 463	1 496 189	1 655 995
B	KZN281 Mfolozi	93 949	97 078	96 332	132 315	150 834	153 803
B	KZN282 uMhlathuze	229 925	245 576	261 960	452 031	402 601	430 577
B	KZN283 Ntambanana	42 362	42 422	40 486	72 145	74 763	71 933
B	KZN284 uMlalazi	145 537	148 146	145 948	270 596	268 341	255 951
B	KZN285 Mthonjaneni	38 963	39 112	38 061	81 326	63 139	70 750
B	KZN286 Nkandla	82 242	81 438	78 045	143 185	176 049	152 213
C	DC28 Uthungulu District Municipality	410 276	444 127	480 348	971 874	952 990	975 439
Total: Uthungulu Municipalities		1 043 254	1 097 899	1 141 180	2 123 472	2 088 717	2 110 666
B	KZN291 Mandeni	119 361	123 461	123 733	178 042	201 093	207 622
B	KZN292 KwaDukuza	105 352	114 767	124 033	193 191	187 374	191 700
B	KZN293 Ndwedwe	110 311	111 944	109 596	251 908	214 082	207 717
B	KZN294 Maphumulo	74 233	73 361	70 399	149 485	153 259	157 338
C	DC29 iLembe District Municipality	338 090	375 152	413 009	803 842	728 123	852 248
Total: iLembe Municipalities		747 347	798 685	840 770	1 576 468	1 483 931	1 616 625
B	KZN431 Ingwe	83 132	83 714	81 755	131 108	143 417	145 546
B	KZN432 Kwa Sani	15 076	15 032	14 642	28 193	25 453	26 099
B	KZN433 Greater Kokstad	47 497	43 752	39 622	75 978	70 388	100 863
B	KZN434 Ubuhlebezwe	85 227	86 003	84 025	143 712	159 732	153 895
B	KZN435 Umzimkhulu	151 222	154 042	151 986	244 153	235 160	249 035
C	DC43 Harry Gwala District Municipality	241 033	256 784	275 160	519 513	586 594	707 840
Total: Sisonke Municipalities		623 187	639 327	647 190	1 142 657	1 220 744	1 383 278
Total: KwaZulu-Natal Municipalities		9 905 062	10 439 951	10 944 033	20 410 228	20 498 150	21 669 911

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES			
		National and Municipal Financial Year			National and Municipal Financial Year			
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	
LIMPOPO								
B	LIM331	Greater Giyani	221 971	224 360	220 158	440 410	335 108	346 639
B	LIM332	Greater Letaba	208 866	209 992	205 548	339 182	399 332	399 812
B	LIM333	Greater Tzaneen	288 642	293 532	292 259	448 106	459 639	475 524
B	LIM334	Ba-Phalaborwa	107 805	110 912	110 792	160 052	164 196	169 735
B	LIM335	Maruleng	92 441	93 956	92 470	133 314	141 902	142 136
C	DC33	Mopani District Municipality	631 553	689 900	750 934	1 365 300	1 421 481	1 496 469
Total: Mopani Municipalities			1 551 278	1 622 652	1 672 161	2 886 364	2 921 658	3 030 315
B	LIM341	Musina	47 735	51 088	53 794	74 766	85 930	90 324
B	LIM342	Mutale	88 938	91 791	91 163	215 280	147 678	150 109
B	LIM343	Thulamela	433 020	442 734	440 450	716 529	777 638	785 973
B	LIM344	Makhado	354 731	360 778	358 823	531 577	551 148	558 578
C	DC34	Vhembe District Municipality	681 432	748 796	818 144	1 563 568	1 715 351	1 827 210
Total: Vhembe Municipalities			1 605 856	1 695 187	1 762 374	3 101 720	3 277 745	3 412 194
B	LIM351	Blouberg	147 635	148 335	144 712	221 012	224 604	227 643
B	LIM352	Aganang	122 831	122 653	118 801	174 675	186 209	184 652
B	LIM353	Molemole	106 287	105 489	102 169	151 194	147 446	146 309
B	LIM354	Polokwane	522 595	568 208	616 043	1 207 189	1 246 294	1 262 520
B	LIM355	Lepele-Nkumpi	204 754	205 856	200 863	299 121	294 804	299 373
C	DC35	Capricorn District Municipality	502 417	539 932	579 927	886 492	969 296	1 035 422
Total: Capricorn Municipalities			1 606 519	1 690 473	1 762 515	2 939 683	3 068 653	3 155 919
B	LIM361	Thabazimbi	60 064	59 287	60 525	117 091	116 163	132 671
B	LIM362	Lephalale	87 409	90 304	96 015	187 841	249 363	280 027
B	LIM364	Mookgopong	41 540	44 331	46 436	71 523	94 750	94 728
B	LIM365	Modimolle	59 775	58 486	57 795	106 853	116 899	135 775
B	LIM366	Bela-Bela	63 428	68 288	72 970	103 712	137 192	146 217
B	LIM367	Mogalakwena	341 563	352 996	360 879	690 978	760 398	755 653
C	DC36	Waterberg District Municipality	111 232	113 698	115 381	116 261	117 805	119 656
Total: Waterberg Municipalities			765 011	787 390	810 001	1 394 259	1 592 570	1 664 727
B	LIM471	Ephraim Mogale	118 546	121 195	120 142	166 843	171 625	173 459
B	LIM472	Elias Motoaledi	212 959	216 012	212 886	292 659	302 701	303 284
B	LIM473	Makhuduthamaga	228 571	230 641	226 428	378 757	345 002	319 208
B	LIM474	Fetakgomo	83 169	84 331	82 555	118 942	129 186	130 021
B	LIM475	Greater Tubatse	234 852	244 658	246 367	384 244	448 364	454 684
C	DC47	Sekhukhune District Municipality	546 538	605 864	666 284	1 610 244	1 862 166	2 003 524
Total: Sekhukhune Municipalities			1 424 635	1 502 701	1 554 662	2 951 689	3 259 044	3 384 178
Total: Limpopo Municipalities			6 953 299	7 298 403	7 561 713	13 273 715	14 119 670	14 647 333
MPUMALANGA								
B	MP301	Albert Luthuli	219 137	226 756	232 189	364 551	386 376	394 753
B	MP302	Msulaligwa	114 641	119 148	127 385	198 583	207 875	218 647
B	MP303	Mkhondo	153 190	162 922	170 990	289 279	287 674	303 537
B	MP304	Pixley Ka Seme	91 201	89 095	87 184	137 503	138 645	137 791
B	MP305	Lekwa	83 027	84 444	88 022	116 636	122 446	124 683
B	MP306	Dipaleseng	52 509	53 758	55 387	94 580	82 879	85 544
B	MP307	Govan Mbeki	194 986	197 366	208 046	289 250	292 197	311 327
C	DC30	Gert Sibande District Municipality	270 971	275 627	279 802	397 370	407 527	356 895
Total: Gert Sibande Municipalities			1 179 662	1 209 116	1 249 005	1 887 752	1 925 619	1 933 177
B	MP311	Victor Khanye	67 348	72 518	77 844	157 885	159 667	166 708
B	MP312	Emalahleni	229 575	256 739	288 276	424 276	462 227	450 474
B	MP313	Steve Tshwete	119 935	136 945	156 145	190 174	194 321	215 502
B	MP314	Emakhazeni	48 486	51 585	54 519	70 060	75 123	80 056
B	MP315	Thembisile Hani	288 644	302 262	313 991	481 233	491 749	521 953
B	MP316	Dr JS Moroka	314 082	320 052	321 994	503 007	505 709	526 303
C	DC31	Nkangala District Municipality	326 223	333 595	340 394	332 693	337 881	344 857
Total: Nkangala Municipalities			1 394 293	1 473 696	1 553 163	2 159 328	2 226 677	2 305 853
B	MP321	Thaba Chweu	104 771	114 508	124 626	243 944	296 487	349 152
B	MP322	Mbombela	462 073	503 877	544 750	1 033 529	1 113 553	1 201 166
B	MP323	Umjindi	67 369	71 926	76 257	185 984	171 713	212 191
B	MP324	Nkomazi	423 037	448 779	467 584	850 014	834 695	880 070
B	MP325	Bushbuckridge	635 931	661 704	678 874	1 190 653	1 274 480	1 453 578
C	DC32	Ehlanzeni District Municipality	217 441	222 950	226 639	283 682	311 725	333 921
Total: Ehlanzeni Municipalities			1 910 622	2 023 744	2 118 730	3 787 806	4 002 653	4 430 078
Total: Mpumalanga Municipalities			4 484 577	4 706 556	4 920 898	7 834 886	8 154 949	8 669 108

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
NORTHERN CAPE							
B	NC061 Richtersveld	13 401	13 428	13 555	33 427	41 417	44 841
B	NC062 Nama Khoi	36 818	37 439	38 799	68 958	58 350	58 819
B	NC064 Kamiesberg	17 563	18 075	18 187	28 328	28 608	30 290
B	NC065 Hantam	20 662	20 157	19 958	50 928	81 327	73 903
B	NC066 Karoo Hoogland	15 812	16 426	17 034	27 547	27 343	29 296
B	NC067 Khâi-Ma	14 782	15 260	15 777	26 700	29 982	29 830
C	DC6 Namakwa District Municipality	35 005	35 407	35 579	40 561	40 284	40 662
Total: Namakwa Municipalities		154 043	156 192	158 889	276 449	307 311	307 641
B	NC071 Ubuntu	25 241	26 260	26 845	73 928	42 112	41 661
B	NC072 Umsobomvu	34 931	35 704	36 711	93 875	68 153	65 322
B	NC073 Emthanjani	35 929	35 088	34 668	96 024	79 198	51 139
B	NC074 Kareeberg	18 021	18 843	19 256	35 143	33 818	32 133
B	NC075 Renosterberg	18 179	18 558	18 669	35 874	48 809	43 790
B	NC076 Thembelihle	18 676	19 187	19 447	40 132	35 720	36 672
B	NC077 Siyathemba	24 220	24 934	25 709	37 679	38 447	40 438
B	NC078 Siyancuma	39 475	38 633	37 704	63 933	61 106	60 317
C	DC7 Pixley Ka Seme District Municipality	35 320	35 988	36 007	41 157	41 171	41 412
Total: Pixley Ka Seme Municipalities		249 992	253 195	255 016	517 745	448 534	412 884
B	NC081 Mier	14 577	14 878	14 736	45 162	77 871	166 212
B	NC082 !Kai !Garib	52 338	53 123	55 103	82 911	80 672	83 152
B	NC083 //Khara Hais	57 629	58 936	62 196	179 649	89 151	96 713
B	NC084 !Kheis	19 697	20 020	20 082	35 987	53 486	54 051
B	NC085 Tsantsabane	28 192	28 784	30 150	47 156	59 259	60 878
B	NC086 Kgatelopele	17 104	17 693	18 665	32 191	34 174	35 368
C	DC8 Z.F. Mgcawu District Municipality	50 237	51 229	51 783	55 814	56 123	56 888
Total: Siyanda Municipalities		239 774	244 663	252 715	478 870	450 736	553 262
B	NC091 Sol Plaatjie	143 335	140 315	142 006	220 328	211 941	214 387
B	NC092 Dikgatlong	58 153	59 655	60 568	96 522	116 614	94 719
B	NC093 Magareng	34 766	34 948	34 778	53 317	70 346	50 433
B	NC094 Phokwane	77 299	78 145	78 493	132 658	128 611	125 541
C	DC9 Frances Baard District Municipality	98 936	105 379	111 650	104 279	110 016	116 481
Total: Frances Baard Municipalities		412 489	418 442	427 495	607 104	637 528	601 561
B	NC451 Joe Morolong	115 253	117 673	117 381	297 786	289 375	298 004
B	NC452 Ga-Segonyana	109 444	117 316	123 402	302 766	273 903	290 748
B	NC453 Gamagara	22 923	24 527	27 669	58 317	70 237	98 977
C	DC45 John Taolo Gaetsewe District Municipality	64 383	66 295	67 960	72 318	73 328	75 157
Total: John Taolo Gaetsewe Municipalities		312 003	325 811	336 412	731 187	706 843	762 886
Total: Northern Cape Municipalities		1 368 301	1 398 303	1 430 527	2 611 355	2 550 952	2 638 234
NORTH WEST							
B	NW371 Moretele	260 987	269 294	271 533	451 512	488 900	524 308
B	NW372 Madibeng	457 443	507 593	555 314	913 841	954 362	1 018 926
B	NW373 Rustenburg	399 145	455 618	515 886	1 239 523	1 204 570	1 231 539
B	NW374 Kgetlengrivier	57 478	60 970	64 225	107 605	141 819	204 390
B	NW375 Moses Kotane	322 570	331 216	335 664	521 535	561 351	602 159
C	DC37 Bojanala Platinum District Municipality	294 712	303 734	310 947	299 943	308 119	315 514
Total: Bojanala Platinum Municipalities		1 792 335	1 928 425	2 053 569	3 533 959	3 659 121	3 896 836
B	NW381 Ratlou	99 822	99 176	95 982	153 961	143 917	142 966
B	NW382 Tswaing	86 304	86 267	84 724	146 499	135 385	136 803
B	NW383 Mafikeng	173 855	176 464	175 874	304 519	296 402	303 110
B	NW384 Ditsobotla	88 789	88 817	88 273	132 811	155 273	155 955
B	NW385 Ramotshere Moiloa	127 415	128 238	125 571	202 839	208 367	206 368
C	DC38 Ngaka Modiri Molema District Municipality	510 260	551 951	595 833	958 197	1 064 903	1 171 903
Total: Ngaka Modiri Molema Municipalities		1 086 445	1 130 913	1 166 257	1 898 826	2 004 247	2 117 105
B	NW392 Naledi	39 618	39 704	39 615	75 965	91 775	97 405
B	NW393 Mamusa	43 070	43 537	43 217	64 500	75 741	79 423
B	NW394 Greater Taung	171 557	171 806	166 657	238 543	232 401	230 808
B	NW396 Lekwa-Teemane	37 480	38 081	38 118	60 707	65 634	61 739
B	NW397 NW397	102 421	101 937	98 604	187 869	167 691	166 565
C	DC39 Dr Ruth Segomotsi Mompoti District Municipality	260 500	283 870	305 823	648 801	637 864	650 574
Total: Dr Ruth Segomotsi Mompoti Municipalities		654 646	678 935	692 034	1 276 385	1 271 106	1 286 514
B	NW401 Ventersdorp	63 366	66 182	68 344	101 363	104 512	102 278
B	NW402 Tlokwe	119 625	133 969	149 587	180 467	230 792	258 657
B	NW403 City of Matlosana	339 737	335 009	339 718	561 702	478 545	490 919
B	NW404 Maquassi Hills	91 878	92 709	93 814	169 843	172 962	155 883
C	DC40 Dr Kenneth Kaunda District Municipality	165 682	169 296	172 358	171 939	173 748	176 995
Total: Dr Kenneth Kaunda Municipalities		780 288	797 165	823 821	1 185 314	1 160 559	1 184 732
Total: North West Municipalities		4 313 714	4 535 438	4 735 681	7 894 484	8 095 033	8 485 187

**ANNEXURE W7
EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES**

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
WESTERN CAPE							
A	CPT City of Cape Town	1 809 797	2 036 500	2 263 607	4 600 751	4 875 295	5 246 359
B	WC011 Matzikama	41 409	42 968	45 926	89 475	105 781	75 920
B	WC012 Cederberg	34 235	36 690	39 235	102 128	104 432	81 809
B	WC013 Bergrivier	30 454	33 442	36 704	58 684	53 472	59 480
B	WC014 Saldanha Bay	55 497	62 559	69 815	79 770	87 484	97 790
B	WC015 Swartland	51 772	60 348	68 762	76 969	92 734	102 493
C	DC1 West Coast District Municipality	80 458	82 466	83 957	86 057	87 100	88 785
Total: West Coast Municipalities		293 825	318 473	344 399	493 083	531 003	506 277
B	WC022 Witzenberg	54 850	59 924	65 615	84 288	90 858	98 785
B	WC023 Drakenstein	96 845	106 929	117 664	145 034	151 661	164 426
B	WC024 Stellenbosch	84 962	97 590	109 738	181 225	212 081	184 088
B	WC025 Breede Valley	81 661	88 862	96 734	129 124	136 707	148 956
B	WC026 Langeberg	57 378	58 933	62 262	84 676	85 160	88 774
C	DC2 Cape Winelands District Municipality	217 006	220 761	224 219	222 570	225 654	229 319
Total: Cape Winelands Municipalities		592 702	632 999	676 232	846 917	902 121	914 348
B	WC031 Theewaterskloof	63 908	68 752	74 003	110 739	111 429	119 227
B	WC032 Overstrand	64 598	72 270	79 604	98 056	100 828	111 374
B	WC033 Cape Agulhas	20 679	22 195	23 939	43 307	47 871	50 050
B	WC034 Swellendam	21 922	22 885	24 591	40 361	39 443	41 739
C	DC3 Overberg District Municipality	51 338	52 532	53 057	56 672	57 169	57 888
Total: Overberg Municipalities		222 445	238 634	255 194	349 135	356 740	380 278
B	WC041 Kannaland	22 391	22 534	22 673	52 158	67 602	127 276
B	WC042 Hessequa	31 529	33 203	35 792	81 264	81 327	54 605
B	WC043 Mossel Bay	63 673	69 978	76 343	97 973	103 612	115 265
B	WC044 George	100 693	110 264	121 141	270 145	267 080	265 942
B	WC045 Oudishoorn	54 373	57 338	60 437	108 347	111 609	141 197
B	WC047 Bitou	57 298	65 012	71 575	87 721	101 676	106 734
B	WC048 Knysna	56 163	62 237	67 761	89 849	93 806	99 729
C	DC4 Eden District Municipality	138 902	142 206	145 104	185 219	183 022	208 227
Total: Eden Municipalities		525 022	562 772	600 826	972 676	1 009 734	1 118 975
B	WC051 Laingsburg	12 015	12 315	12 427	28 207	30 660	31 024
B	WC052 Prince Albert	15 247	16 035	16 556	29 255	30 531	30 372
B	WC053 Beaufort West	44 160	46 322	48 220	85 035	98 667	102 592
C	DC5 Central Karoo District Municipality	19 324	19 700	19 476	24 336	23 776	23 735
Total: Central Karoo Municipalities		90 746	94 372	96 679	179 106	183 634	187 723
Total: Western Cape Municipalities		3 534 537	3 883 750	4 236 937	7 441 668	7 858 527	8 353 960
Unallocated			26 315	27 492	261 149	1 010 228	1 094 200
National Total		50 207 698	52 868 706	55 512 141	99 489 685	103 346 179	109 147 748

1. Includes equitable share formula allocations, RSC levies replacement and special contribution towards Councillor remuneration, but excludes the sharing of the general fund levy with metropolitan municipalities. (See Appendix W1)

APPENDIX W1

APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES

(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

(National and Municipal Financial Years)

APPENDIX W1
APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +
BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

Category	Equitable Share Formula			RSC Levies Replacement			Special Support for Councillor Remuneration and Ward Committees			BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES					
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			2015/16 (R'000)		2016/17 (R'000)		2017/18 (R'000)	
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	Water	Sanitation	Water	Sanitation	Water	Sanitation
EASTERN CAPE															
A. BUF Buffalo City	655 141	643 419	649 421												
A. NMA Nelson Mandela Bay	774 616	789 729	834 568												
B. EC101 Camdeboo	40 751	41 109	41 793				2 528	2 644	2 762						
B. EC102 Blue Crane Route	42 521	41 913	41 162				2 133	2 310	2 329						
B. EC103 Baviaan	19 249	19 519	19 343				1 471	1 538	1 607						
B. EC104 Malaria	70 710	70 760	71 633				5 057	5 289	5 524						
B. EC105 Ndlambe	69 490	72 731	75 679				3 612	3 778	3 946						
B. EC106 Swakops River Valley	52 292	56 206	59 616				2 890	3 023	3 157						
B. EC107 Baviaans	22 084	22 617	22 699				1 368	1 410	1 493						
B. EC108 KwaGalelo	76 832	85 802	94 304				5 267	5 508	5 752						
B. EC109 KwaGalelo	35 529	37 185	38 706				2 133	2 210	2 329						
B. DC10. South Biscuitman District Municipality	21 827	21 850	21 189	58 032	60 594	63 184									
Total: Sarah Baartman Municipalities	451 285	469 692	486 124	58 032	60 594	63 184	26 459	27 649	28 899						
B. EC121 Mhlabale	198 688	199 022	192 630				11 047	11 552	12 065						
B. EC122 Mquma	223 208	220 543	211 796				11 097	11 711	12 233						
B. EC123 Great Kei	139 667	138 749	136 841				2 515	2 630	2 747						
B. EC124 Amalifili	116 810	116 771	108 024				4 544	4 752	4 965						
B. EC125 Ngqushwa	78 159	79 241	72 462				7 485	7 774	8 119						
B. EC127 Nkonkobe	122 022	121 424	114 581				1 359	1 600	1 672						
B. EC128 Ntshabane	52 032	54 585	55 561				2 900	3 038	3 176						
B. DC12. Amatimbe District Municipality	409 075	429 829	454 329	290 538	315 116	339 917	45 492	47 574	49 691						
Total: Amathole Municipalities	1 213 713	1 219 664	1 210 626	290 538	315 116	339 917	45 492	47 574	49 691						
B. EC131 Incahu Yehentha	37 661	35 127	32 492				3 251	3 400	3 551						
B. EC132 Tsowana	26 762	27 145	26 284				2 058	2 155	2 253						
B. EC133 Inkwanca	23 620	23 715	22 088				1 368	1 450	1 493						
B. EC134 Lukanji	117 676	115 174	111 362				7 585	7 933	8 287						
B. EC135 Inxaka Yethu	138 389	138 404	134 065				6 140	6 422	6 708						
B. EC136 Eninhlanteni	110 397	110 867	107 746				7 646	8 001	8 361						
B. EC137 Engcobo	127 198	127 693	125 747				5 100	5 341	5 584						
B. EC138 Sakhisizwe	36 481	36 121	34 027				61 853	67 086	72 366						
B. DC13. Chris Hani District Municipality	384 206	411 278	440 337	200 538	215 116	230 917	31 148	32 582	34 017						
Total: Chris Hani Municipalities	1 033 100	1 052 524	1 065 148	61 853	67 086	72 366	31 148	32 582	34 017						
B. EC141 Elundini	125 970	127 385	124 388				6 140	6 422	6 708						
B. EC142 Saseku	129 273	128 548	124 272				6 712	7 019	7 330						
B. EC143 Maleswani	25 193	25 246	25 165				2 294	2 400	2 508						
B. EC144 Gariep	25 714	24 779	23 536				1 912	2 000	2 090						
B. DC14. Joe Gqabi District Municipality	189 953	203 385	217 515	19 654	21 317	22 994									
Total: Joe Gqabi Municipalities	496 103	509 343	514 876	19 654	21 317	22 994	17 058	17 841	18 636						
B. EC153 Ngquna Hill	189 000	189 744	183 787				11 197	11 711	12 233						
B. EC154 Port St Johns	113 461	113 862	110 226				7 073	7 396	7 725						
B. EC155 Nyandeni	205 703	206 407	200 471				11 047	11 552	12 065						
B. EC156 Mhlonzo	150 013	147 938	141 289				9 391	9 822	10 260						
B. EC157 King Sabata Dalindyebo	251 210	253 935	251 266				70 039	75 964	81 942						
B. DC15. O.R. Tambo District Municipality	552 162	595 990	639 959	70 039	75 964	81 942	38 708	40 481	42 283						
Total: O.R. Tambo Municipalities	1 461 549	1 507 896	1 526 978	70 039	75 964	81 942	38 708	40 481	42 283						
B. EC441 Matielde	166 790	166 209	160 272				9 391	9 822	10 260						
B. EC442 Unziniwubu	160 015	157 985	151 062				11 047	11 552	12 065						
B. EC443 Mhizana	170 267	168 018	161 693				6 882	7 201	7 525						
B. EC444 Ntabankulu	91 989	90 474	86 086				33 689	36 539	39 415						
B. DC44. Alfred Nzo District Municipality	331 828	331 077	317 580	33 689	36 539	39 415	37 072	38 775	40 504						
Total: Alfred Nzo Municipalities	920 889	934 363	930 693	33 689	36 539	39 415	37 072	38 775	40 504						
Total: Eastern Cape Municipalities	7 006 396	7 129 830	7 222 434	534 705	576 616	618 818	195 937	204 922	214 050						

**APPENDIX W1
 APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
 (EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +
 BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

Category	Equitable Share Formula				RSC Levies Replacement				Special Support for Councillor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES			
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2018/19 (R'000)	Water	Sanitation	Water	Sanitation
KWAZULU-NATAL																
A. ETH eThekweni	2 115 453	2 289 678	2 510 109													
B. KZN211 Volamsho	59 047	59 294	57 342					3 823	4 000	4 181		14 697	11 847	16 141	12 824	17 635
B. KZN212 Umdeni	57 217	60 796	62 157					3 461	3 619	3 779		18 738	15 105	21 377	16 984	24 263
B. KZN213 Unzwebe	119 848	117 888	111 918					7 264	7 601	7 943		31 564	34 300	37 079	27 251	37 079
B. KZN214 uMkizibhantu	72 861	73 952	72 463					3 461	3 619	3 779		19 882	16 028	22 062	17 528	24 354
B. KZN215 Edendale	41 410	41 807	40 717					2 133	2 230	2 329		10 233	8 249	11 288	8 968	12 388
B. KZN216 Hibiscus Coast	125 965	132 233	136 793					58 891	63 873	68 900		53 929	43 474	61 142	48 576	68 900
C. DC21 Ugu District Municipality	303 885	332 849	352 766					58 891	63 873	68 900		53 929	43 474	61 142	48 576	68 900
Total Ugu Municipalities	780 233	818 419	844 176					58 891	63 873	68 900		149 843	120 148	166 310	132 131	184 679
B. KZN221 uMkhotwathi	80 128	81 216	80 243					4 696	4 911	5 130		25 193	20 309	27 730	22 031	30 897
B. KZN222 uMngeni	40 132	42 066	46 041					4 184	4 374	4 568		22 293	17 972	25 115	19 953	28 362
B. KZN223 iPhoroni	26 235	26 385	26 118					1 368	1 400	1 493		2 664	6 981	8 459	7 515	10 352
B. KZN224 Inqenathi	31 472	31 371	30 388					1 471	1 538	1 607		7 757	6 253	8 392	6 668	9 102
B. KZN225 Mzimba	305 766	421 033	458 808					2 528	2 644	2 762		13 597	10 889	14 883	11 824	16 439
B. KZN226 Mkhambathi	48 813	50 035	49 408					2 328	2 644	2 762		13 523	12 332	17 045	13 542	19 007
B. KZN227 Richmond	51 634	53 520	53 555					2 328	2 644	2 762		13 523	12 332	17 045	13 542	19 007
C. DC22 Ungungundlovu District Municipality	16 867	208 342	226 747					206 602	224 880	241 716		92 737	74 759	102 624	81 533	113 859
Total Ungungundlovu Municipalities	866 067	914 868	971 301					16 775	17 541	18 322		92 737	74 759	102 624	81 533	113 859
B. KZN232 Enamathithi/Ladysmith	120 062	120 269	119 645					3 823	4 000	4 181		46 161	37 212	50 196	39 880	55 088
B. KZN233 Indika	71 757	69 820	66 520					3 100	3 241	3 384		19 107	15 403	20 358	16 174	21 892
B. KZN234 Unishezi	47 038	49 316	50 306					5 057	5 289	5 524		16 404	13 224	18 282	14 525	20 563
B. KZN235 Okhahlamba	93 437	93 028	89 763					4 545	4 752	4 963		25 314	20 407	27 230	21 634	29 560
B. KZN236 Imbalazane	79 926	77 871	74 121					4 669	4 925	5 186		20 481	16 511	21 882	17 385	23 594
C. DC23 Uthukela District Municipality	261 605	278 357	298 301					44 198	47 937	51 710		127 467	102 757	137 948	109 598	150 697
Total Uthukela Municipalities	673 825	688 661	698 656					44 198	47 937	51 710		127 467	102 757	137 948	109 598	150 697
B. KZN241 Endumeni	35 102	35 699	35 982					6 140	6 422	6 708		12 551	10 118	14 143	11 236	15 891
B. KZN242 Ngutu	109 253	108 934	105 126					6 712	7 019	7 330		27 990	22 564	30 779	24 453	33 747
B. KZN244 Mzinga	127 524	130 310	128 279					7 103	7 431	7 764		36 922	29 764	40 931	32 519	45 244
B. KZN245 Unvoti	81 298	85 197	86 050					3 973	4 155	4 341		23 704	20 721	28 996	23 037	32 614
C. DC24 Umzinyathi District Municipality	213 884	233 355	253 772					26 400	28 731	30 992		103 167	83 167	114 849	91 245	127 496
Total Umzinyathi Municipalities	567 061	593 495	609 209					26 400	28 731	30 992		103 167	83 167	114 849	91 245	127 496
B. KZN252 Newcastle	298 215	299 978	307 066					1 368	1 430	1 493		4 739	3 821	5 122	4 069	5 548
B. KZN253 Enadlungeni	19 649	19 802	19 290					3 823	3 997	4 173		18 113	14 602	19 663	15 622	21 399
B. KZN254 Damausere	70 358	70 144	67 748					60 795	65 938	71 128		22 852	18 423	24 785	19 691	26 947
C. DC25 Amajuba District Municipality	60 132	62 919	65 813					60 795	65 938	71 128		22 852	18 423	24 785	19 691	26 947
Total Amajuba Municipalities	448 354	452 843	459 917					60 795	65 938	71 128		22 852	18 423	24 785	19 691	26 947

APPENDIX W1
APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +
BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

Category	Municipality	Equitable Share Formula						RSC Levies Replacement						Special Support for Councillor Remuneration and Ward Committees						BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES						
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year				
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	Water	Sanitation	Water	Sanitation	Retiree	Retiree	
LIMPOPO																										
B	LM431	Greater Giyani	211 135	213 027	208 320				10 836	11 333	11 333	11 838				60 545	48 808	67 127	53 331	74 181	58 012					
B	LM432	Greater Letaba	198 542	199 096	194 272			10 324	10 796	10 796	11 276				63 109	45 963	63 109	50 140	69 626	54 449						
B	LM433	Greater Tzaneen	288 642	293 532	292 259			6 502	6 800	6 800	7 103				98 727	79 587	110 071	87 451	122 320	95 658						
B	LM434	Ba-Phekibonwa	101 305	104 112	103 689			4 906	5 130	5 130	5 357				31 369	25 288	35 130	27 910	39 213	30 666						
B	LM435	Mandlaza	87 535	88 826	87 113			88 240	95 705	103 237					23 573	19 003	26 235	20 843	29 102	22 759						
C	DC33	Mopani District Municipality	543 313	594 195	647 697																					
		Total Mopani Municipalities	1 430 470	1 492 888	1 532 350			88 240	95 705	103 237	32 568	34 659	35 574			271 231	218 649	301 672	239 675	334 442	261 544					
B	LM441	Musina	45 568	48 821	51 426			2 167	2 267	2 267	2 368				18 976	15 298	21 928	17 422	25 186	19 696						
B	LM442	Muske	83 968	86 500	85 728			4 970	5 201	5 201	5 435				22 807	18 386	25 636	20 348	28 643	22 389						
B	LM443	Thulamela	433 020	442 734	440 450										144 956	116 854	162 038	128 738	180 042	140 798						
C	DC34	Vhembe District Municipality	354 731	360 778	358 823			57 341	62 192	67 086	7 137	7 468	7 803			121 076	97 604	135 329	107 518	150 348	117 577					
		Total Vhembe Municipalities	1 541 578	1 625 827	1 627 485			57 341	62 192	67 086	7 137	7 468	7 803			307 815	248 142	344 931	274 046	384 218	300 470					
B	LM451	Bloubaerg	140 300	140 561	136 593						7 435	7 774	8 119			40 200	32 407	43 774	34 778	47 804	37 384					
B	LM452	Alamang	116 119	115 634	111 471						6 712	7 019	7 320			31 481	25 378	34 100	27 092	37 804	28 971					
B	LM453	Makomo	101 381	100 559	96 812						4 906	5 130	5 357			28 015	22 584	30 399	24 152	33 083	25 872					
B	LM454	Potokwane	527 295	568 268	606 812						10 324	10 796	11 276			54 273	43 752	59 354	47 156	65 100	50 910					
B	LM455	Lepelle-Nkomo	184 470	195 163	189 387																					
C	DC35	Capricorn District Municipality	322 492	344 533	305 467			180 250	195 499	210 885	29 377	30 719	32 082			153 949	124 121	167 627	133 178	183 053	143 137					
		Total Capricorn Municipalities	1 396 892	1 464 255	1 519 548			180 250	195 499	210 885	29 377	30 719	32 082													
B	LM461	Thabazimbi	55 880	54 913	55 957						4 184	4 374	4 568													
B	LM462	Lepelle	87 409	90 304	96 015						1 912	2 000	2 090													
B	LM464	Mookgongong	39 628	42 331	44 346						3 251	3 400	3 551													
B	LM465	Mudmole	56 524	55 086	54 284						3 100	3 241	3 384													
B	LM466	Bela-Bela	69 328	65 047	69 586																					
B	LM467	Mogalakwena	341 565	332 996	360 879			77 139	79 315	81 395	5 271	5 561	5 856													
C	DC36	Waterberg District Municipality	28 822	28 822	28 130			77 139	79 315	81 395	17 718	18 576	19 449													
		Total Waterberg Municipalities	670 154	669 499	700 157			77 139	79 315	81 395	17 718	18 576	19 449													
B	LM471	Ephraim Mogale	112 767	115 151	113 828						5 779	6 044	6 314													
B	LM472	Elias Mosekoteli	202 123	204 679	201 048						10 836	11 333	11 838													
B	LM473	Mabidathamaga	217 524	219 089	214 563						11 047	11 552	12 065													
B	LM474	Fetogosomo	78 360	79 300	77 299						4 809	5 031	5 256													
B	LM475	Greater Tlokweng	234 852	244 658	246 567																					
C	DC47	Sekhukhune District Municipality	477 766	551 274	585 824			68 772	74 590	80 460	32 471	33 960	35 473													
		Total Sekhukhune Municipalities	1 323 392	1 394 151	1 438 729			68 772	74 590	80 460	32 471	33 960	35 473													
		Total Limpopo Municipalities	6 362 286	6 606 320	6 888 269			471 742	507 301	543 063	119 271	124 782	130 381			969 118	781 243	1 081 760	859 448	1 202 139	940 108					

APPENDIX W2

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND
MUNICIPAL WATER INFRASTRUCTURE GRANT (MWIG)**

**(BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES
AUTHORISED FOR SERVICES)**

(National and Municipal Financial Years)

APPENDIX W2

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AND MUNICIPAL WATER INFRASTRUCTURE GRANT (MWIG))
BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES**

Municipality	SCHEDULE 5, PART B						SCHEDULE 6, PART B		
	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
EASTERN CAPE									
B EC121 Mbashe	148 087	154 478	164 057	12 128	6 029	7 611			
B EC122 Mquma	149 082	155 515	165 159	8 085	4 019	5 074			
B EC123 Great Kei	13 958	14 560	15 463	8 085	4 019	5 074			
B EC124 Amahlathi	47 133	49 167	52 216	16 170	8 038	10 147			
B EC126 Ngushwa	30 509	31 825	33 799	12 128	6 028	7 610			
B EC127 Nkonkobe	40 477	42 224	44 842	8 084	4 019	5 074			
B EC128 Nxuba	4 343	4 531	4 812	16 170	8 038	10 147			
C DC12 Amathole District Municipality									
Total: Amathole Municipalities	433 589	452 300	480 348	80 850	40 190	50 737			
B EC131 Inxuba Yethemba	5 248	5 475	5 814	6 030	2 878	3 207			
B EC132 Tsolwana	6 938	7 238	7 687	18 091	8 635	9 621			
B EC133 Inkwanca	1 950	2 034	2 160	12 061	5 757	6 414			
B EC134 Lukanji	29 064	30 318	32 198	24 122	11 514	12 828			
B EC135 Intsika Yethu	81 793	85 323	90 614	18 091	8 635	9 621			
B EC136 Emalahlani	43 346	45 217	48 021	24 122	11 514	12 828			
B EC137 Engcobo	80 277	83 741	88 933	12 061	5 757	6 414			
B EC138 Sakhisizwe	19 928	20 788	22 077	6 030	2 878	3 205			
C DC13 Chris Hani District Municipality									
Total: Chris Hani Municipalities	268 544	280 134	297 504	120 608	57 568	64 138			
B EC141 Elundini	82 145	85 690	91 003	7 003	2 052	2 165			
B EC142 Senqu	56 300	58 730	62 371	4 252	1 246	1 314			
B EC143 Maletswai	6 884	7 181	7 626	8 754	2 565	2 706			
B EC144 Gariep	3 941	4 112	4 367	5 002	1 465	1 546			
C DC14 Joe Gqabi District Municipality									
Total: Joe Gqabi Municipalities	149 270	155 713	165 367	25 011	7 328	7 731			
B EC153 Ngquba Hill	138 399	144 372	153 324	34 805	23 989	43 494			
B EC154 Port St Johns	78 667	82 062	87 151	21 132	14 565	26 407			
B EC155 Nyandeni	141 703	147 817	156 983	31 076	21 419	38 834			
B EC156 Mhlotlo	87 836	91 627	97 308	12 430	8 568	15 535			
B EC157 King Sabata Dalindyebo	165 590	172 735	183 446	24 861	17 134	31 067			
C DC15 O.R.Tambo District Municipality									
Total: O.R.Tambo Municipalities	612 195	638 613	678 212	124 304	85 675	155 337			
B EC441 Matatiele	88 026	91 825	97 519	25 500	25 261	46 827			
B EC442 Umzimvubu	89 239	93 090	98 862	15 482	15 337	28 431			
B EC443 Mbizana	129 401	134 985	143 355	31 875	31 577	58 534			
B EC444 Ntabankulu	54 944	57 314	60 868	18 214	18 044	33 449			
C DC44 Alfred Nzo District Municipality									
Total: Alfred Nzo Municipalities	361 610	377 214	400 604	91 071	90 219	167 241			
Total: Eastern Cape Municipalities	1 825 208	1 903 974	2 022 035	441 844	280 980	445 184			

APPENDIX W2

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AND MUNICIPAL WATER INFRASTRUCTURE GRANT (MWIG))
BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES**

Municipality	SCHEDULE 5, PART B						SCHEDULE 6, PART B		
	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
KWAZULU-NATAL									
B KZN211 Vulamehlo	29 803	31 090	33 017	10 009	5 871	8 579			
B KZN212 Umdoni	20 658	21 549	22 886	15 014	8 806	12 869			
B KZN213 Umzumbi	79 415	82 842	87 979	20 019	11 743	17 158			
B KZN214 uMuziwabantu	33 654	35 106	37 283	20 019	11 743	17 158			
B KZN215 Ezingoleni	15 099	15 751	16 727	15 015	8 807	12 869			
B KZN216 Hibiscus Coast	65 688	68 522	72 771	20 019	11 743	17 159			
C DC21 Ugu District Municipality									
Total: Ugu Municipalities	244 317	254 860	270 663	100 095	58 713	85 792			
B KZN221 uMshwathi	26 816	27 973	29 708	18 418	6 954	12 190			
B KZN222 uMngeni	17 757	18 524	19 672	14 414	5 442	9 540			
B KZN223 Mpojana	8 857	9 239	9 812	20 020	7 559	13 250			
B KZN224 Impendle	11 004	11 479	12 191	8 008	3 024	5 260			
B KZN225 Msunduzi				58 333	26 721	28 191			
B KZN226 Mkhambathini	20 057	20 922	22 219	8 008	3 024	5 260			
B KZN227 Richmond	16 560	17 274	18 346	11 212	4 232	7 498			
C DC22 Umgungundlovu District Municipality									
Total: Umgungundlovu Municipalities	101 051	105 411	111 948	138 413	56 956	81 189			
B KZN232 Ennambithi/Ladysmith	46 102	48 091	51 073	14 000	10 726	23 255			
B KZN233 Indaka	30 686	32 010	33 995	8 500	6 512	14 119			
B KZN234 Umtshezi	20 794	21 692	23 037	12 500	9 577	20 763			
B KZN235 Okhahlamba	42 291	44 116	46 852	5 000	3 831	8 305			
B KZN236 Imbabazane	36 374	37 944	40 297	10 000	7 661	16 610			
C DC23 Uthukela District Municipality									
Total: Uthukela Municipalities	176 247	183 853	195 254	50 000	38 307	83 052			
B KZN241 Endumeni	8 963	9 350	9 930	21 910	11 231	23 314			
B KZN242 Nqutu	46 151	48 143	51 128	13 303	6 819	14 155			
B KZN244 Msinga	81 629	85 152	90 432	27 388	14 039	29 142			
B KZN245 Umvoti	41 091	42 865	45 523	15 649	8 022	16 653			
C DC24 Umzinyathi District Municipality									
Total: Umzinyathi Municipalities	177 834	185 510	197 013	78 250	40 111	83 264			
B KZN252 Newcastle				14 825	13 613	14 362			
B KZN253 Emadlangeni	9 831	10 255	10 891	6 939	5 297	5 588			
B KZN254 Dannhauser	25 288	26 379	28 015	5 947	4 539	4 789			
C DC25 Amajuba District Municipality				6 939	5 297	5 588			
Total: Amajuba Municipalities	35 119	36 634	38 906	34 650	28 746	30 327			
B KZN261 eDumbe	15 159	15 813	16 793	22 122	15 336	28 457			
B KZN262 UPhongolo	44 181	46 088	48 946	13 431	9 311	17 278			
B KZN263 Ahaqulusi	45 102	47 048	49 966	19 752	13 693	25 408			
B KZN265 Nongoma	67 114	70 011	74 352	7 900	5 477	10 163			
B KZN266 Ulundi	44 803	46 736	49 634	15 801	10 954	20 327			
C DC26 Zululand District Municipality									
Total: Zululand Municipalities	216 359	225 696	239 691	79 006	54 771	101 633			
B KZN271 Umhlabuyalingana	57 673	60 162	63 893				9 457	50 784	69 607
B KZN272 Jozini	68 964	71 940	76 401				5 741	30 833	42 261
B KZN273 The Big 5 False Bay	7 947	8 290	8 804				8 444	45 343	62 149
B KZN274 Hlabisa	18 915	19 731	20 954				3 378	18 137	24 860
B KZN275 Mtubatuba	51 919	54 160	57 518				6 755	36 274	49 719
C DC27 Umkhanyakude District Municipality									
Total: Umkhanyakude Municipalities	205 418	214 283	227 570				33 775	181 371	248 596
B KZN281 Mfolozi	29 985	31 279	33 218	24 673	14 299	26 902			
B KZN282 uMhlathuze				50 882	7 921	8 357			
B KZN283 Ntambanana	21 578	22 509	23 905	14 980	8 682	16 333			
B KZN284 uMlalazi	70 641	73 689	78 258	22 030	12 767	24 020			
B KZN285 Mthonjaneni	14 544	15 172	16 112	8 811	5 107	9 607			
B KZN286 Nkandla	33 583	35 032	37 204	17 624	10 214	19 216			
C DC28 uThungulu District Municipality									
Total: Uthungulu Municipalities	170 331	177 681	188 697	139 000	58 990	104 435			
B KZN291 Mandeni	40 371	42 114	44 725	39 243	11 769	22 580			
B KZN292 KwaDukuza	60 791	63 415	67 347	23 826	7 145	13 709			
B KZN293 Ndwedwe	42 038	43 852	46 571	49 054	14 711	28 226			
B KZN294 Maphumulo	41 389	43 175	45 853	28 031	8 407	16 129			
C DC29 iLembe District Municipality									
Total: iLembe Municipalities	184 589	192 556	204 496	140 154	42 032	80 644			
B KZN431 Ingwe	41 567	43 361	46 049	12 180	11 233	25 233			
B KZN432 Kwa Sani	3 213	3 352	3 559	7 395	6 820	15 320			
B KZN433 Greater Kokstad	10 236	10 678	11 340	10 875	10 029	22 529			
B KZN434 Ubuhlebezwe	40 252	41 989	44 592	4 350	4 012	9 011			
B KZN435 Umzimkhulu	92 516	96 509	102 493	8 700	8 024	18 026			
C DC43 Harry Gwala District Municipality									
Total: Sisonke Municipalities	187 784	195 889	208 033	43 500	40 118	90 119			
Total: KwaZulu-Natal Municipalities	1 699 049	1 772 373	1 882 271	803 068	418 744	740 455	33 775	181 371	248 596

APPENDIX W2

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AND MUNICIPAL WATER INFRASTRUCTURE GRANT (MWIG))
BREAKDOWN OF MIG AND MWIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES**

Municipality	SCHEDULE 5, PART B						SCHEDULE 6, PART B		
	Breakdown of MIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services			Breakdown of MWIG allocations for district municipalities authorised for services		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
LIMPOPO									
B LIM331 Greater Giyani	110 092	114 843	121 964				40 386	65 338	66 893
B LIM332 Greater Letaba	87 343	91 112	96 762				30 108	55 870	59 726
B LIM333 Greater Tzaneen	174 064	181 575	192 835				22 530	40 193	47 781
B LIM334 Ba-Phalaborwa	31 494	32 853	34 891				26 256	37 564	40 614
B LIM335 Maruleng	37 159	38 762	41 166				13 252	22 001	23 890
C DC33 Mopani District Municipality									
Total: Mopani Municipalities	440 152	459 145	487 618				132 532	220 966	238 904
B LIM341 Musina	15 221	15 878	16 863	151	185	225	525	1 204	1 301
B LIM342 Mutale	31 075	32 416	34 426	7 256	8 880	10 800	25 200	57 803	62 453
B LIM343 Thulamela	255 133	266 143	282 646	11 670	14 356	17 460	40 845	93 447	100 967
B LIM344 Makhado	197 922	206 463	219 266	11 155	13 579	16 515	38 430	88 390	95 501
C DC34 Vhembe District Municipality									
Total: Vhembe Municipalities	499 351	520 900	553 201	30 232	37 000	45 000	105 000	240 844	260 222
B LIM351 Blouberg	72 530	75 660	80 351	16 326	15 242	16 081			
B LIM352 Aganang	46 125	48 116	51 099	9 912	9 254	9 763			
B LIM353 Molemole	45 430	47 390	50 329	14 577	13 609	14 358			
B LIM354 Polokwane				5 831	5 446	5 743			
B LIM355 Lepele-Nkumpi	90 882	94 804	100 682	11 662	10 887	11 487			
C DC35 Capricorn District Municipality									
Total: Capricorn Municipalities	254 967	265 970	282 461	58 308	54 438	57 432			
B LIM471 Ephraim Mogale	45 759	47 734	50 693				36 541	57 534	58 014
B LIM472 Elias Mootsoledi	110 062	114 811	121 931				22 185	34 931	35 224
B LIM473 Makhuduthamaga	125 251	130 656	138 758				32 626	51 369	51 799
B LIM474 Fetakgomo	34 112	35 584	37 790				13 050	20 548	20 719
B LIM475 Greater Tubatse	144 321	150 549	159 885				26 100	41 097	41 439
C DC47 Sekhukhune District Municipality									
Total: Sekhukhune Municipalities	459 505	479 334	509 057				130 502	205 479	207 195
Total: Limpopo Municipalities	1 653 975	1 725 349	1 832 337	88 540	91 438	102 432	368 034	667 289	706 321
NORTH WEST									
B NW381 Ratlou	47 271	49 311	52 368				15 983	28 104	39 354
B NW382 Tswaing	36 766	38 352	40 730				9 704	17 063	23 893
B NW383 Mafikeng	106 211	110 794	117 664				14 271	25 093	35 137
B NW384 Ditsobotla	44 167	46 073	48 930				5 708	10 037	14 056
B NW385 Ramotshere Moiloa	54 881	57 249	60 799				11 416	20 075	28 109
C DC38 Ngaka Modiri Molema District Municipality									
Total: Ngaka Modiri Molema Municipalities	289 296	301 779	320 491				57 082	100 372	140 549
B NW392 Naledi	11 531	12 029	12 774	8 400	9 800	12 600			
B NW393 Mamusa	9 811	10 235	10 869	5 100	5 950	7 650			
B NW394 Greater Taung	70 172	73 200	77 739	10 500	12 250	15 750			
B NW396 Lekwa-Teenane	4 186	4 366	4 637	6 000	7 000	9 000			
B NW397 NW397	35 876	37 424	39 744						
C DC39 Dr Ruth Segomotsi Mompati District Municipality									
Total: Dr Ruth Segomotsi Mompati Municipalities	131 576	137 254	145 763	30 000	35 000	45 000			
Total: North West Municipalities	420 872	439 033	466 254	30 000	35 000	45 000	57 082	100 372	140 549
National Total	5 599 104	5 840 729	6 202 897	1 363 452	826 162	1 333 071	458 891	949 032	1 095 466

APPENDIX W3

APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES

(National and Municipal Financial Years)

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
EASTERN CAPE					
A	BUF Buffalo City	1 461	1 149		
A	NMA Nelson Mandela Bay	1 783	8 664		
B	EC101 Camdeboo	34	1 000		
B	EC102 Blue Crane Route	36	1 000		
B	EC103 Ikwezi	23	1 000		
B	EC104 Makana	56	1 002		
B	EC105 Ndlambe	62	1 000		
B	EC106 Sundays River Valley	58	1 000		
B	EC107 Baviaans	25	1 018		
B	EC108 Kouga	71	1 000		
B	EC109 Kou-Kamma	38	1 000		
C	DC10 Sarah Baartman District Municipality	8	1 133		
Total: Sarah Baartman Municipalities		411	10 153		
B	EC121 Mbhashe	124	1 052		
B	EC122 Mnquma	136	1 000		
B	EC123 Great Kei	34	1 000		
B	EC124 Amahlathi	74	1 056		
B	EC126 Ngqushwa	56	1 000		
B	EC127 Nkonkobe	76	1 041		
B	EC128 Nxuba	27	1 000		
C	DC12 Amathole District Municipality	935	2 667		
Total: Amathole Municipalities		1 462	9 816		
B	EC131 Inxuba Yethemba	41	1 308		
B	EC132 Tsolwana	33	1 060		
B	EC133 Inkwanca	26	1 000		
B	EC134 Lukanji	91	1 529		
B	EC135 Intsika Yethu	93	1 271		
B	EC136 Emalahleni	74	1 000		
B	EC137 Engcobo	88	1 672		
B	EC138 Sakhisizwe	44	1 000		
C	DC13 Chris Hani District Municipality	613	5 961		
Total: Chris Hani Municipalities		1 103	15 801		
B	EC141 Elundini	87	1 268		
B	EC142 Senqu	91	2 059		
B	EC143 Maletswai	32	1 085		
B	EC144 Gariep	30	1 000		
C	DC14 Joe Gqabi District Municipality	332	1 379		
Total: Joe Gqabi Municipalities		572	6 791		
B	EC153 Ngquza Hill	116	1 036		
B	EC154 Port St Johns	77	1 149		
B	EC155 Nyandeni	130	1 219		
B	EC156 Mhlontlo	94	1 000		
B	EC157 King Sabata Dalindyebo	186	1 768		
C	DC15 O.R.Tambo District Municipality	1 335	6 693		
Total: O.R.Tambo Municipalities		1 938	12 865		
B	EC441 Matatiele	111	1 780		
B	EC442 Umzimvubu	105	1 737		
B	EC443 Mbizana	104	1 000		
B	EC444 Ntabankulu	62	1 031		
C	DC44 Alfred Nzo District Municipality	799	4 853		
Total: Alfred Nzo Municipalities		1 181	10 401		
Total: Eastern Cape Municipalities		9 911	75 640		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
FREE STATE					
A	MAN Mangaung	1 435	3 097		
B	FS161 Letsemeng	42	1 000		
B	FS162 Kopanong	51	1 363		
B	FS163 Mohokare	44	1 000		
B	FS164 Naledi	34	1 000		
C	DC16 Xhariep District Municipality	7	1 111		
Total: Xhariep Municipalities		178	5 474		
B	FS181 Masilonyana	56	1 112		
B	FS182 Tokologo	41	1 223		
B	FS183 Tswelopele	40	1 073		
B	FS184 Matjhabeng	245	1 072		
B	FS185 Nala	67	1 000		
C	DC18 Lejweleputswa District Municipality	7	1 000		
Total: Lejweleputswa Municipalities		456	6 480		
B	FS191 Setsoto	109	2 042		
B	FS192 Dihlabeng	85	1 000		
B	FS193 Nketoana	58	1 108		
B	FS194 Maluti-a-Phofung	365	5 718		
B	FS195 Phumelela	49	1 000		
B	FS196 Mantsopa	47	1 000		
C	DC19 Thabo Mofutsanyana District Municipality	8	1 208		
Total: Thabo Mofutsanyana Municipalities		721	13 076		
B	FS201 Moqhaka	89	1 151		
B	FS203 Ngwathe	91	1 097		
B	FS204 Metsimaholo	97	1 020		
B	FS205 Mafube	52	1 000		
C	DC20 Fezile Dabi District Municipality	7	1 000		
Total: Fezile Dabi Municipalities		336	5 268		
Total: Free State Municipalities		3 126	33 395		
GAUTENG					
A	EKU Ekurhuleni	3 847	13 709		
A	JHB City of Johannesburg	3 786	38 447		
A	TSH City of Tshwane	3 267	31 143		
B	GT421 Emfuleni	363	3 553		
B	GT422 Midvaal	73	1 327		
B	GT423 Lesedi	62	1 347		
C	DC42 Sedibeng District Municipality	7	1 000		
Total: Sedibeng Municipalities		505	7 227		
B	GT481 Mogale City	213	1 266		
B	GT482 Randfontein	83	1 000		
B	GT483 Westonaria	110	2 024		
B	GT484 Merafong City	128	1 775		
C	DC48 West Rand District Municipality	27	1 000		
Total: West Rand Municipalities		561	7 065		
Total: Gauteng Municipalities		11 966	97 591		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
KWAZULU-NATAL					
A	ETH eThekweni	4 018	40 618		
B	KZN211 Vulamehlo	45	1 000		
B	KZN212 Umdoni	48	1 069		
B	KZN213 Umzumbe	79	1 084		
B	KZN214 uMuziwabantu	54	1 036		
B	KZN215 Ezingoleni	40	1 430		
B	KZN216 Hibiscus Coast	111	1 000		
C	DC21 Ugu District Municipality	534	1 826		
Total: Ugu Municipalities		911	8 445		
B	KZN221 uMshwathi	62	1 115		
B	KZN222 uMngeni	56	1 438		
B	KZN223 Mpofana	32	1 000		
B	KZN224 Impendle	33	1 255		
B	KZN225 Msunduzi	378	4 032		
B	KZN226 Mkhambathini	42	1 058		
B	KZN227 Richmond	44	1 046		
C	DC22 Umgungundlovu District Municipality	205	2 499		
Total: Umgungundlovu Municipalities		852	13 443		
B	KZN232 Ennambithi/Ladysmith	118	4 513		
B	KZN233 Indaka	53	1 000		
B	KZN234 Umtshezi	44	1 050		
B	KZN235 Okhahlamba	69	1 803		
B	KZN236 Imbabazane	58	1 409		
C	DC23 Uthukela District Municipality	396	2 384		
Total: Uthukela Municipalities		738	12 159		
B	KZN241 Endumeni	39	1 125		
B	KZN242 Nqutu	73	1 529		
B	KZN244 Msinga	95	2 422		
B	KZN245 Umvoti	68	1 954		
C	DC24 Umzinyathi District Municipality	405	3 434		
Total: Umzinyathi Municipalities		680	10 464		
B	KZN252 Newcastle	254	3 286		
B	KZN253 Emadlangeni	26	1 030		
B	KZN254 Dannhauser	51	1 000		
C	DC25 Amajuba District Municipality	92	1 252		
Total: Amajuba Municipalities		423	6 568		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
B	KZN261 eDumbe	43	1 055		
B	KZN262 uPhongolo	88	4 449		
B	KZN263 Abaqulusi	83	1 417		
B	KZN265 Nongoma	75	1 624		
B	KZN266 Ulundi	71	1 332		
C	DC26 Zululand District Municipality	488	3 800		
Total: Zululand Municipalities		848	13 677		
B	KZN271 Umhlabuyalingana	79	1 294		
B	KZN272 Jozini	88	1 899		
B	KZN273 The Big 5 False Bay	30	1 000		
B	KZN274 Hlabisa	37	1 000		
B	KZN275 Mtubatuba	71	1 000		
C	DC27 Umkhanyakude District Municipality	449	1 308		
Total: Umkhanyakude Municipalities		754	7 501		
B	KZN281 Mfolozi	57	1 000		
B	KZN282 uMhlathuze	215	2 961		
B	KZN283 Ntambanana	41	1 463		
B	KZN284 uMlalazi	101	3 037		
B	KZN285 Mthonjaneni	42	2 264		
B	KZN286 Nkandla	53	1 025		
C	DC28 uThungulu District Municipality	411	6 639		
Total: Uthungulu Municipalities		920	18 389		
B	KZN291 Mandeni	12	1 755		
B	KZN292 KwaDukuza	114	1 418		
B	KZN293 Ndwedwe	68	1 158		
B	KZN294 Maphumulo	52	1 003		
C	DC29 iLembe District Municipality	407	1 536		
Total: iLembe Municipalities		653	6 870		
B	KZN431 Ingwe	57	1 070		
B	KZN432 Kwa Sani	22	1 000		
B	KZN433 Greater Kokstad	48	1 997		
B	KZN434 Ubuhlebezwe	60	1 420		
B	KZN435 Umzimkhulu	100	1 872		
C	DC43 Harry Gwala District Municipality	426	3 466		
Total: Sisonke Municipalities		713	10 825		
Total: KwaZulu-Natal Municipalities		11 510	148 959		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
LIMPOPO					
B	LIM331 Greater Giyani	133	1 581		
B	LIM332 Greater Letaba	126	1 489		
B	LIM333 Greater Tzaneen	202	1 842		
B	LIM334 Ba-Phalaborwa	72	1 188		
B	LIM335 Maruleng	60	1 038		
C	DC33 Mopani District Municipality	943	1 630		
Total: Mopani Municipalities		1 536	8 768		
B	LIM341 Musina	48	1 112		
B	LIM342 Mutale	60	1 131		
B	LIM343 Thulamela	291	2 302		
B	LIM344 Makhado	242	1 335		
C	DC34 Vhembe District Municipality	1 085	4 344		
Total: Vhembe Municipalities		1 726	10 224		
B	LIM351 Blouberg	94	1 613		
B	LIM352 Aganang	78	1 357		
B	LIM353 Molemole	69	1 000		
B	LIM354 Polokwane	607	4 516		
B	LIM355 Lepele-Nkumpi	118	1 525		
C	DC35 Capricorn District Municipality	557	1 921		
Total: Capricorn Municipalities		1 523	11 932		
B	LIM361 Thabazimbi	78	2 735		
B	LIM362 Lephalale	84	1 187		
B	LIM364 Mookgopong	40	1 097		
B	LIM365 Modimolle	58	1 598		
B	LIM366 Bela-Bela	54	1 083		
B	LIM367 Mogalakwena	312	2 150		
C	DC36 Waterberg District Municipality	7	1 000		
Total: Waterberg Municipalities		633	10 850		
B	LIM471 Ephraim Mogale	75	1 157		
B	LIM472 Elias Motsoaledi	118	1 163		
B	LIM473 Makhuduthamaga	131	1 069		
B	LIM474 Fetakgomo	53	1 000		
B	LIM475 Greater Tubatse	142	1 229		
C	DC47 Sekhukhune District Municipality	985	1 939		
Total: Sekhukhune Municipalities		1 504	7 557		
Total: Limpopo Municipalities		6 922	49 331		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
MPUMALANGA					
B	MP301 Albert Luthuli	189	2 059		
B	MP302 Msukaligwa	114	1 238		
B	MP303 Mkhondo	173	2 348		
B	MP304 Pixley Ka Seme	71	2 642		
B	MP305 Lekwa	66	1 173		
B	MP306 Dipaleseng	48	1 439		
B	MP307 Govan Mbeki	130	2 145		
C	DC30 Gert Sibande District Municipality	18	2 676		
Total: Gert Sibande Municipalities		809	15 720		
B	MP311 Victor Khanye	64	2 103		
B	MP312 Emalaheni	250	1 378		
B	MP313 Steve Tshwete	111	1 583		
B	MP314 Emakhazeni	44	1 089		
B	MP315 Thembisile Hani	269	3 117		
B	MP316 Dr JS Moroka	273	3 257		
C	DC31 Nkangala District Municipality	15	2 280		
Total: Nkangala Municipalities		1 026	14 807		
B	MP321 Thaba Chweu	106	1 340		
B	MP322 Mbombela	670	6 899		
B	MP323 Umjindi	74	1 435		
B	MP324 Nkomazi	490	4 762		
B	MP325 Bushbuckridge	781	2 551		
C	DC32 Ehlanzeni District Municipality	13	1 908		
Total: Ehlanzeni Municipalities		2 134	18 895		
Total: Mpumalanga Municipalities		3 969	49 422		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
NORTHERN CAPE					
B	NC061 Richtersveld	22	1 000		
B	NC062 Nama Khoi	36	1 000		
B	NC064 Kamiesberg				
B	NC065 Hantam	28	1 153		
B	NC066 Karoo Hoogland	23	1 000		
B	NC067 Khâi-Ma				
C	DC6 Namakwa District Municipality	7	1 000		
Total: Namakwa Municipalities		116	5 153		
B	NC071 Ubuntu	27	1 000		
B	NC072 Umsobomvu	30	1 000		
B	NC073 Emthanjeni	31	1 000		
B	NC074 Kareeberg	23	1 000		
B	NC075 Renosterberg	22	1 000		
B	NC076 Thembelihle	26	1 000		
B	NC077 Siyathemba	27	1 000		
B	NC078 Siyancuma	40	1 000		
C	DC7 Pixley Ka Seme District Municipality	7	1 000		
Total: Pixley Ka Seme Municipalities		233	9 000		
B	NC081 Mier	21	1 000		
B	NC082 !Kai !Garib	53	1 189		
B	NC083 //Khara Hais	7	1 000		
B	NC084 !Kheis	28	1 000		
B	NC085 Tsantsabane	38	1 000		
B	NC086 Kgatelopele	23	1 000		
C	DC8 Z.F. Mgcawu District Municipality	7	1 000		
Total: Siyanda Municipalities		177	7 189		
B	NC091 Sol Plaatjie	133	4 984		
B	NC092 Dikgatlong	46	1 090		
B	NC093 Magareng	30	1 138		
B	NC094 Phokwane	61	1 170		
C	DC9 Frances Baard District Municipality	7	1 000		
Total: Frances Baard Municipalities		277	9 382		
B	NC451 Joe Morolong	138	2 336		
B	NC452 Ga-Segonyana	116	1 050		
B	NC453 Gamagara	32	1 000		
C	DC45 John Taolo Gaetsewe District Municipality	7	1 000		
Total: John Taolo Gaetsewe Municipalities		293	5 386		
Total: Northern Cape Municipalities		1 096	36 110		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
NORTH WEST					
B	NW371 Moretele	235	3 353		
B	NW372 Madibeng	543	2 020		
B	NW373 Rustenburg	445	3 384		
B	NW374 Kgetlengrivier	61	1 878		
B	NW375 Moses Kotane	292	1 446		
C	DC37 Bojanala Platinum District Municipality	7	1 041		
Total: Bojanala Platinum Municipalities		1 583	13 122		
B	NW381 Ratlou	66	1 085		
B	NW382 Tswaing	66	1 067		
B	NW383 Mafikeng	141	2 646		
B	NW384 Ditsobotla	80	1 025		
B	NW385 Ramotshere Moiloa	84	1 286		
C	DC38 Ngaka Modiri Molema District Municipality	630	1 989		
Total: Ngaka Modiri Molema Municipalities		1 067	9 098		
B	NW392 Naledi	47	1 876		
B	NW393 Mamusa	40	1 169		
B	NW394 Greater Taung	126	1 425		
B	NW396 Lekwa-Teemane	37	1 072		
B	NW397 NW397	67	1 014		
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	301	2 262		
Total: Dr Ruth Segomotsi Mompati Municipalities		618	8 818		
B	NW401 Ventersdorp	58	1 792		
B	NW402 Tlokwe	107	1 284		
B	NW403 City of Matlosana	196	3 028		
B	NW404 Maquassi Hills	64	1 000		
C	DC40 Dr Kenneth Kaunda District Municipality	13	1 925		
Total: Dr Kenneth Kaunda Municipalities		438	9 029		
Total: North West Municipalities		3 706	40 067		

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME
INTEGRATED GRANT FOR MUNICIPALITIES

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2015/16 FTE Performance Target	National and Municipal Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
WESTERN CAPE					
A	CPT City of Cape Town	2 986	23 616		
B	WC011 Matzikama	50	1 000		
B	WC012 Cederberg	38	1 007		
B	WC013 Bergrivier	36	1 070		
B	WC014 Saldanha Bay	46	1 000		
B	WC015 Swartland	51	1 185		
C	DC1 West Coast District Municipality	7	1 000		
Total: West Coast Municipalities		228	6 262		
B	WC022 Witzenberg	52	1 041		
B	WC023 Drakenstein	78	1 112		
B	WC024 Stellenbosch	79	1 075		
B	WC025 Breede Valley	76	1 000		
B	WC026 Langeberg	54	1 494		
C	DC2 Cape Winelands District Municipality	7	1 000		
Total: Cape Winelands Municipalities		346	6 722		
B	WC031 Theewaterskloof	60	1 086		
B	WC032 Overstrand	55	1 661		
B	WC033 Cape Agulhas	29	1 000		
B	WC034 Swellendam	32	1 215		
C	DC3 Overberg District Municipality	7	1 000		
Total: Overberg Municipalities		183	5 962		
B	WC041 Kannaland	28	1 000		
B	WC042 Hessequa	7	1 000		
B	WC043 Mossel Bay	58	1 499		
B	WC044 George	92	1 864		
B	WC045 Oudtshoorn	53	1 405		
B	WC047 Bitou	47	1 052		
B	WC048 Knysna	57	1 002		
C	DC4 Eden District Municipality	7	1 005		
Total: Eden Municipalities		349	9 827		
B	WC051 Laingsburg	20	1 000		
B	WC052 Prince Albert	22	1 000		
B	WC053 Beaufort West	40	1 743		
C	DC5 Central Karoo District Municipality	7	1 038		
Total: Central Karoo Municipalities		89	4 781		
Total: Western Cape Municipalities		4 181	57 170		
Unallocated:				663 991	716 427
National Total		56 387	587 685	663 991	716 427

APPENDIX W4

APPENDIX TO SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT

BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

(National and Municipal Financial Years)

**APPENDIX W4
APPENDIX TO SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
EASTERN CAPE							
Total Buffalo City Metropolitan Municipality							
ECR038	Grand-Reinet Emergency Water Supply Scheme	B	EC101	Cumdebe Local Municipality	5 000	10 000	10 000
ECR047	James K. Coppius Bulk Water Supply	B	DC10	Makana Local Municipality	15 000	41 000	
ECR037	Ndlambe Dam / Albany Coast BWS (Grahamstown & Port Alfred)	B	EC105	Ndlambe Local Municipality	81 500	110 000	190 000
ECR024	Stadlerys River - Paterson Bulk Water Supply	B	EC106	Stadlerys River Valley Local Municipality	5 000		
ECR039	Steylerville Water Supply Scheme	B	EC107	Baviaana Local Municipality	23 808		
Total Sarah Baartman Municipalities							
ECR010	Mawawana Bulk Water Supply	C	DC12	Amathole District Municipality	41 000	71 746	42 746
ECR015	Xhoro East Water Supply	C	DC12	Amathole District Municipality	45 000	81 640	61 640
ECR006	Bikwa Water Supply	C	DC12	Amathole District Municipality	9 000		
Total Amathole Municipalities							
ECR033	Cluster 4 CHDM Bulk Water Supply	C	DC13	Chris Hani District Municipality	50 000	88 000	71 000
ECR028	Cluster 6 CHDM Bulk Water Supply	C	DC13	Chris Hani District Municipality	47 268	83 000	66 000
ECR029	Cluster 9 CHDM Bulk Water Supply	C	DC13	Chris Hani District Municipality	60 000		
ECR002	Xosha Bulk Water Supply	C	DC13	Chris Hani District Municipality	98 235	87 000	177 16
ECR005	Middelburg Ground Water Supply	C	DC13	Inshaba Yethimba	5 000		
ECR005	Hofmeier Ground Water Supply	C	DC13	Chris Hani District Municipality	18 000		
Total Chris Hani Municipalities							
ECR019	O.R. Tambo, Mthatha, King Sabata Dalindyebo Water Supply	C	DC15	King Sabata Dalindyebo Local Municipality	195 000	300 000	440 284
ECR045	O.R. Tambo, Mthatha, King Sabata Dalindyebo Sanitation	C	DC15	King Sabata Dalindyebo Local Municipality	115 000	125 000	30 000
Total O.R. Tambo Municipalities							
ECR001	Mantlale Bulk Water Supply Scheme	C	DC44	Mantlale Local Municipality	25 000	66 000	56 000
ECR036	Mount Ayliff Bulk Water Supply Scheme	C	DC44	Alfred Nzo District Municipality	35 000	60 000	40 000
ECR008	Mbizana Regional Bulk Water Supply	C	DC44	Alfred Nzo District Municipality	83 189	139 000	151 346
Total Alfred Nzo Municipalities							
Total Eastern Cape Municipalities							
					954 000	1 262 386	1 176 732
FREE STATE							
FSR002	Jagersfontein / Fruitsnith Bulk Water Supply	B	FSI 62	Kopanong Local Municipality	20 000		
FSR005	Rouxville / Smithfield Zaaron Bulk Water Supply	B	FSI 63	Mobokare Local Municipality	53 000	45 000	
Total Xhariep Municipalities							
FSR011	Masilonyana Bulk Water Supply	B	FSI 81	Masilonyana Local Municipality	55 000	42 000	30 000
FSR008	Tokologo Regional Water Supply 2	B	FSI 82	Tokologo, Sui Phatse, LM6	33 000	35 000	50 000
FSR006	Tswelopele Bulk Water Supply	B	FSI 83	Tswelopele Local Municipality	10 000	20 000	30 000
FSR015	Nala Bulk Sewer	B	FSI 85	Nala Local Municipality	17 000	15 000	
Total Lepwepotswa Municipalities							
FSR013	Seisofo Bulk Water Supply	B	FSI 91	Seisofo Local Municipality	30 000	30 000	45 000
FSR003	Dihlabeng Bulk Water Supply	B	FSI 92	Dihlabeng Local Municipality	35 580	25 000	30 000
FSR012	Nketoana Regional Water Supply	B	FSI 93	Nketoana Local Municipality	30 000	30 000	45 000
FSR007	Sherkfontein Dam Bulk Water Supply	B	FSI 94	Maluti-a-Phofung Local Municipality	57 600	55 000	53 504
FSR006	Phumlela Bulk Water Supply	B	FSI 95	Phumlela Local Municipality	20 000	27 440	28 616
FSR015	Mantsopa-Twespunt, Excelsior, Hobhouse Bulk Water Supply	B	FSI 96	Mantsopa Local Municipality	20 000	33 560	
Total Thabo Mofutsanyana Municipalities							
FSR010	Moqhaka Bulk Water Supply	B	FS201	Moqhaka Local municipality	35 474	50 000	20 000
FSR009	Newabhe Bulk Sewer	B	FS201	Moqhaka Local municipality	6 000	5 000	29 469
FSR009	Newabhe Bulk Water Supply Phase 2	B	FS203	Newabhe Local Municipality	20 000	15 000	30 000
FSR009	Newabhe Bulk Sewer	B	FS203	Newabhe Local Municipality	20 000	30 000	50 000
FSR009	Newabhe Bulk Sewer	B	FS205	Matlabe Local Municipality	20 000	30 000	50 000
Total Fezile Dabi Municipalities							
					101 474	130 000	129 469
Total Free State Municipalities							
					482 654	488 000	441 589

APPENDIX W4
APPENDIX TO SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
GAUTENG							
GPR004	Western Highveld Bulk Water Scheme	A. TSH	City of Tshwane	City of Tshwane Metropolitan Municipality	30 000	30 000	
			Total: City of Tshwane Metropolitan Municipality		30 000	30 000	
GPR001	Sediberg Waste Water Treatment Works	B. DC42	Sediberg District Municipality	Various	15 000	80 000	94 200
GPR005	Sebokeng Waste Water Treatment Works	B. GT42.1	Emfuleni Local Municipality	Emfuleni Local Municipality	184 000	237 000	165 000
GPR006	Meyerton Waste Water Treatment Works	B. GT42.2	Midvaal Local Municipality	Midvaal Local Municipality	108 000	70 000	45 000
			Total: Sediberg Municipalities		307 000	387 000	304 200
GPR002	Westonaria Regional Bulk Sanitation (Zaunbeekom)	B. GT48.3	Westonaria Local Municipality	Westonaria Local Municipality	10 000	15 000	80 000
			Total: West Rand Municipalities		10 000	15 000	80 000
			Total: Gauteng Municipalities		347 000	432 000	384 200
KWAZULU-NATAL							
KNR013	Mhlathane Bulk Water Supply	C. DC21	Ugu District Municipality	Uzumbhe Local Municipality	8 834		
			Total: Ugu Municipalities		8 834		
KNR010	Driefontein Indaba Bulk Water Supply	C. DC23	Ukhahlamba District Municipality	Ernambithi, Ladismith and Indaba Local Municipalities	95 000	85 000	74 318
			Total: Ukhahlamba Municipalities		95 000	85 000	74 318
KNR008	Ntini Bulk Water Supply Gresown Regional Bulk Scheme	C. DC24 C. DC24	uMzinyathi District Municipality uMzinyathi District Municipality	Nqutu Local Municipality Umvoti Local Municipality	148 000 148 000	129 153 129 153	18 232 99 205
			Total: uMzinyathi Municipalities		148 000	129 153	117 437
KNR001	Nongoma Bulk Water Scheme	C. DC26	Zululand District Municipality	Nongoma Local Municipality	138 000	170 000	16 000
KNR002	Mandlazar Bulk Water Supply	C. DC27	Zululand District Municipality	uPhungolo & Nongoma Local Municipalities	57 000	170 000	16 000
KNR015	Pongolapoort Bulk Water Scheme	C. DC27	uMkhanyakude District Municipality	Jozini Local Municipality	290 000	45 000	74 773
KNR014	Dubuduku Resettlement	C. DC27	uMkhanyakude District Municipality	Muthamba Brg. 5 False Bay Local Municipalities	15 000		
			Total: uMkhanyakude Municipalities		305 000	45 000	74 773
KNR005	Nsezi Bulk Water Scheme	C. DC28	uThungulu District Municipality	Mfotoli Local Municipality	1 000		30 078
KNR016	Greater Mhlonjani Bulk Water Supply	C. DC28	uThungulu District Municipality	Mtongani/ Nkandla Local Municipalities	229 000	183 227	36 230
			Total: uThungulu Municipalities		275 000	262 224	183 500
KNR011	Ngebe Regional Water Bulk (Lower Tugela)	C. DC29	iLembe District Municipality	Maphumulo Local Municipality	126 166	100 000	130 000
			Total: iLembe Municipalities		126 166	100 000	130 000
KNR007	Greater Bulwer Donnybrook Water Scheme	C. DC43	Haru Gwalala District Municipality	Ingeve and Ubhelebeze Local Municipality	30 000	80 000	120 000
			Total: Shosha Municipalities		30 000	80 000	120 000
			Total: KwaZulu-Natal Municipalities		1 183 000	871 377	716 028

**APPENDIX W4
APPENDIX TO SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
LIMPOPO							
LPR018	Giyani Bulk Water Supply Drought relief	C DC33	Mopani District Municipality	Greater Giyani Local Municipality	100 000		
LPR017	Mamefja Sekororo	C DC33	Mopani District Municipality	Mantleng Local Municipality	50 167	35 000	
		Total: Mopani Municipalities			150 167	35 000	
LPR020	Provincial High Catchment Projects - Mmash Hub	C DC34	Vhembe District Municipality	Makhado Local Municipality	12 000	19 600	59 953
LPR002	Nzhalde Valley Bulk Water Supply	C DC34	Vhembe District Municipality	Makhado Local Municipality	150 000	34 799	
LPR016	Sinthumule Kuzama Bulk Water Supply	C DC34	Vhembe District Municipality	Makhado Local Municipality	20 000		
		Total: Vhembe Municipalities			162 000	74 399	59 953
LPR023	Polokwane Waste Water Treatment Works	B DC35	Capricorn District Municipality	Polokwane Local Municipality	42 000	60 000	10 000
LPR022	Amanang Bulk Water Supply	B DC35	Capricorn District Municipality	Amanang Local Municipality	20 000	40 000	70 000
LPR008	Glen Alpine Regional Water Scheme	B DC35	Capricorn District Municipality	Molebertse Local Municipality	15 000		
		Total: Capricorn Municipalities			62 000	115 000	80 000
LPR003	Lephalale - Bulk Water Augmentation	B LMS67	Lephalale Local Municipality	Lephalale Local Municipality	17 000	70 400	77 251
LPR004	Mogalese Water to Waterberg	B LMS67	Mogalese Local Municipality	Mogalese Local Municipality	121 500	160 000	132 000
LPR015	Mogalakwena Bulk Water Supply	B LMS67	Mogalakwena Local Municipality	Mogalakwena Local Municipality	121 500	247 400	209 251
		Total: Waterberg Municipalities			243 000	477 800	411 251
LPR019	Moses Bulk Water Supply	C DC47	Schabane District Municipality	Ephraim Moghe/Elisa Motswaledi LMs	50 100	95 000	148 000
LPR011	Ntshi Bulk Water Supply	C DC47	Schabane District Municipality	Greater Tlokweng/Mokhotlong LMs	60 000	90 000	140 000
LPR012	Mochabe/Tlokweng Bulk Water Supply	C DC47	Schabane District Municipality	Greater Tlokweng Local Municipality	75 000	90 000	
LPR021	Letlaleto Central & North Regional Water Scheme	C DC47	Schabane District Municipality	Greater Tlokweng Local Municipality	12 000	20 617	
		Total: Schabane Municipalities			197 100	305 617	428 000
LPR012	Ntshi Bulk Water Supply - De Hoop Augmentation /North/ South/ Steelport	C DC47	Schabane District Municipality	Greater Tlokweng Local Municipality	12 000	40 000	60 000
LPR021	De Hoop Water Treatment Works	C DC47	Schabane District Municipality	Greater Tlokweng Local Municipality	258 900	202 041	258 445
LPR021	Schuldamme DM Regional Bulk Water Supply (De Hoop)	C DC47	Schabane District Municipality	Various	458 000	557 658	606 445
		Total: Limpopo Municipalities			953 667	1 029 457	955 649
MPUMALANGA							
MPR022	Empul/Melur/Amster Bulk Water Supply	C DC301	Albert Luthuli Local Municipality	Albert Luthuli Local Municipality	20 000	20 393	44 500
MPR026	Lushuwane Bulk Water Scheme	C DC301	Albert Luthuli Local Municipality	Albert Luthuli Local Municipality	35 000	31 994	
MPR027	Amsterdam and Sheepmore Bulk Water Scheme	C DC301	Albert Luthuli Local Municipality	Albert Luthuli Local Municipality	15 000	7 503	
MPR023	Balfour Waste Water Treatment Works	C DC306	Dipaleseng Local Municipality	Dipaleseng Local Municipality	28 400	40 600	
MPR024	Balf/Svat/Grey/Willem/Nhor Bulk Water Supply	C DC306	Dipaleseng Local Municipality	Dipaleseng Local Municipality	14 000	20 000	22 000
		Total: Gert Sibande Municipalities			112 400	120 490	66 500
	Upgrade of Delmas Waste Water	B MP311	Victor Khanye Local Municipality	Victor Khanye Local Municipality	22 000	22 100	23 000
	Upgrade of Boteng Waste Water	B MP311	Victor Khanye Local Municipality	Victor Khanye Local Municipality	15 000	21 000	23 400
MPR017	Emalaheni Water Scheme	B MP312	Emalaheni Local Municipality	Emalaheni Local Municipality	49 050	55 880	18 158
MPR005	Thembisile Water Scheme (Loskop)	B MP315	Thembisile Local Municipality	Thembisile Local Municipality	13 000	16 620	23 000
	Western Highveld (Rust de Winter) Bulk Water Scheme	B MP316	Dr. JS Moroka Local Municipality	Dr. JS Moroka Local Municipality	12 550	15 000	21 796
		Total: Nkangala Municipalities			111 600	130 600	109 354
MPR019	Northern Nzikazi Bulk Water Supply	B MP322	Mbombela Local Municipality	Mbombela Local Municipality	30 000	30 000	48 000
MPR018	Dreokoppies Upgrading	C DC32	Nkomaz Local Municipality	Nkomaz Local Municipality	15 000	28 150	19 793
MPR020	Sibange Bulk Water Supply	C DC32	Nkomaz Local Municipality	Nkomaz Local Municipality	15 000	26 207	34 900
		Total: Ehlanzeni Municipalities			60 000	84 357	102 693
		Total: Mpumalanga Municipalities			284 000	335 447	278 547

**APPENDIX W4
APPENDIX TO SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT							
NORTHERN CAPE							
NCR017	Bulk Water Supply to Porth Nolloth	B	NCR061	Richtersveld Local Municipality	7 543	15 857	19 857
NCR012	Leeresfontein Bulk Water Supply	B	NCR065	Hantam Local Municipality	10 000	35 000	
NCR016	Bulk Water Supply to Brandvllei (Hantam)	B	NCR065	Hantam Local Municipality	4 128	11 650	39 980
			Total: Namaqualand Municipalities		21 671	62 507	59 837
NCR010	Noupsport Bulk Water Supply	B	NC072	Umsobomvu Local Municipality	30 000	11 000	
NCRNEW	Genep Dam to Nurvallopand Bulk Water Supply	B	NC072	Umsobomvu Local Municipality	6 872		
NCR015	De Aar Borehole Development	B	NC073	Eintjanen Local Municipality	10 000	27 240	
NCR02	Van Wyksvlei Bulk Water Supply	B	NC074	Kareeberg Local Municipality	5 406	4 519	
NCRNEW	Renosterberg Bulk Water Supply	B	NC075	Renosterberg Local Municipality	5 000	3 700	
NCRNEW	Van der Kooi - Volsing Bulk Water Supply	B	NC075	Renosterberg Local Municipality		13 000	13 000
NCR023	Stydenburg Groundwater Development	B	NC076	Thembulille Local Municipality	8 362		
			Total: Ficks-ka-Sene Municipalities		65 640	59 479	13 000
NCR028	Kellham East to Mier pipeline	B	NC081	Mier Local Municipality	20 000	50 128	137 934
			Total: Z.F. Mgawana Municipalities		20 000	50 128	137 934
NCR025	Homevale Waste Water Treatment Works	B	NC091	Sol Plaatje Local Municipality	5 550	23 134	
NCR020	Windsorfontein to Hoppan Bulk Water Supply	B	NC092	Digatong Local Municipality	6 256	744	
NCR030	Warrenton Water Treatment Works	B	NC093	Magersburg Local Municipality	2 441	20 284	
			Total: Frances Baard Municipalities		12 500	43 418	
NCR018	Karunuan Bulk Water Supply	B	NC352	Ga-Segonyana Local Municipality	15 638		
			Total: John Taolo Gaetsewe Municipalities		15 638		
			Total: Northern Cape Municipalities		135 499	215 532	210 771
NORTH WEST							
NWR005	Moretele Bulk Water Supply	B	NW371	Moretele Local Municipality	38 000	40 000	54 296
NWR013	Madibeng Bulk Water Supply	B	NW372	Madibeng Local Municipality	80 000	97 091	104 404
NWRNEW	Koster Waste Water Treatment Works upgrade	B	NW374	Kgetlengrivier Local Municipality	10 000	26 000	57 582
			Total: Bojanala Platinum Municipalities		128 000	163 091	216 282
NWR002	Ratou Bulk Water Supply	C	DC38	Ngaka Modiri Molema	45 000	51 000	68 622
NWR014	Madikeng South Bulk Water Supply	C	DC38	Ngaka Modiri Molema	45 000	50 000	36 045
			Total: Ngaka Modiri Molema Municipalities		90 000	101 000	104 667
NWR009	Tang/Naledi Bulk Water Supply	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	75 000	77 741	52 561
NWR008	Greater Mamsisa Bulk Water Supply	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	60 000	65 000	66 704
			Total: Dr Ruth Segomotsi Mompati Municipalities		135 000	142 741	119 265
NWR016	Potchefroom Waste Water Treatment Works upgrade	B	NW402	Tlokweng Local Municipality	10 000	30 000	34 777
NWR015	Wolmarasstad Waste Water Treatment Works	B	NW404	Magassai Hills Local Municipality	44 600	26 571	
			Total: Dr Kameath Kaurda Municipalities		54 600	56 571	34 777
			Total: North West Municipalities		407 600	463 403	474 991

**APPENDIX W4
APPENDIX TO SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
WESTERN CAPE							
WCR018	Vanrhynsdorp Raw Water	B	WC011	Matzhlanna Local Municipality	15 158	22 599	
WCR019	Klaver Bulk Water	B	WC011	Matzhlanna Local Municipality	4 573	12 888	
WCR020	Citrusdal Waste Water Treatment Plant	B	WC012	Cederberg Local Municipality	20 000	14 762	
WCR021	Clanwilliam Water Treatment Works	B	WC012	Cederberg Local Municipality	10 975	13 964	
			Total: West Coast Municipalities		50 706	64 213	
WCR022	Pani Bulk Sewer	B	WC023	Draakenstein Local Municipality	6 628	58 667	12 723
WCR023	Stellenbosch Waste Water Treatment Works	B	WC024	Stellenbosch Local Municipality	48 128	58 667	12 723
			Total: Cape Winelands Municipalities		54 756	58 667	12 723
WCR009	Grabouw Waste Water Treatment Plant	B	WC031	Theewaterskloof Local Municipality	4 000		
			Total: Overberg Municipalities		4 000		
WCR015	Kamaland Dam Relocation	B	WC041	Kamaland Local Municipality	10 000	20 000	34 875
WCR014	Calitzdorp & Ladismith Waste Water Treatment Works	B	WC041	Kamaland Local Municipality	3 000	10 000	53 920
WCR017	Oudshoorn Groundwater	B	WC045	Oudshoorn Local Municipality	20 000	20 195	42 399
WCR016	Blou Cross Border Bulk	B	WC047	Blou Local Municipality	20 000	36 242	58 338
			Total: Eden Municipalities		53 000	86 437	189 552
WCR024	Beaufort West Bulk Water	B	WC053	Beaufort West Local Municipality	11 772	16 683	14 000
			Total: Central Karoo Municipalities		11 772	16 683	14 000
			Total: Western Cape Municipalities		174 234	226 000	216 275
National Total					4 921 654	5 323 602	4 854 782

APPENDIX W5

APPENDIX TO SCHEDULE 5, PART B: PUBLIC TRANSPORT NETWORK GRANT

BREAKDOWN OF PUBLIC TRANSPORT NETWORK INFRASTRUCTURE COMPONENT AND PUBLIC TRANSPORT NETWORK OPERATIONS COMPONENT ALLOCATIONS PER LOCAL MUNICIPALITY

(National and Municipal Financial Years)

APPENDIX W5

APPENDIX TO SCHEDULE 5, PART B : PUBLIC TRANSPORT NETWORK GRANT

BREAKDOWN OF PUBLIC TRANSPORT NETWORK INFRASTRUCTURE COMPONENT AND PUBLIC TRANSPORT NETWORK OPERATIONS COMPONENT PER MUNICIPALITY

Municipality	SCHEDULE 5, PART B						TOTAL PUBLIC TRANSPORT NETWORK INFRASTRUCTURE AND PUBLIC TRANSPORT NETWORK OPERATIONS COMPONENTS PER MUNICIPALITY				
	Breakdown of Network Operations Component allocations per municipality			Breakdown of Network Infrastructure Component allocations per municipality			Public Transport Network Grant				
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year				
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)		
EASTERN CAPE											
A	BUF	Buffalo City									
A	NMA	Nelson Mandela Bay	150 000	150 000	157 500	222 256	209 330	199 984	372 256	359 330	357 484
Total: Eastern Cape Municipalities			150 000	150 000	157 500	222 256	247 636	282 156	372 256	397 636	439 656
FREE STATE											
A	MAN	Mangaung									
Total: Free State Municipalities											
GAUTENG											
A	EKU	Ekurhuleni				339 296	444 389	576 544	339 296	444 389	576 544
A	JHB	City of Johannesburg	287 000	302 211	317 321	864 368	916 569	1 018 724	1 151 368	1 218 780	1 336 045
A	TSH	City of Tshwane	161 000	186 000	195 300	770 609	759 902	799 392	931 609	945 902	994 692
Total: Gauteng Municipalities			448 000	488 211	512 621	1 974 273	2 120 860	2 394 660	2 422 273	2 609 071	2 907 281
KWAZULU-NATAL											
A	ETH	eThekweni	162 713	171 337	179 904	719 455	759 272	836 878	882 168	930 609	1 016 782
B	KZN225	Msunduzi				213 271	203 605	199 958	213 271	203 605	199 958
Total: Umgungundlovu Municipalities						213 271	203 605	199 958	213 271	203 605	199 958
Total: KwaZulu-Natal Municipalities			162 713	171 337	179 904	932 726	962 877	1 036 836	1 095 439	1 134 214	1 216 740
LIMPOPO											
B	LIM354	Polokwane				184 189	171 631	163 661	184 189	171 631	163 661
Total: Capricorn Municipalities						184 189	171 631	163 661	184 189	171 631	163 661
Total: Limpopo Municipalities						184 189	171 631	163 661	184 189	171 631	163 661
MPUMALANGA											
B	MP322	Mbombela				116 540	122 088	132 498	116 540	122 088	132 498
Total: Ehlanzeni Municipalities						116 540	122 088	132 498	116 540	122 088	132 498
Total: Mpumalanga Municipalities						116 540	122 088	132 498	116 540	122 088	132 498
NORTH WEST											
B	NW373	Rustenburg		311 450	327 023	552 567	178 780	111 053	552 567	490 230	438 076
Total: North West Municipalities				311 450	327 023	552 567	178 780	111 053	552 567	490 230	438 076
WESTERN CAPE											
A	CPT	City of Cape Town	228 000	229 554	241 032	865 501	869 185	901 762	1 093 501	1 098 739	1 142 794
B	WC044	George	54 311	11 769	12 357	62 014	90 974	78 880	116 325	102 743	91 237
Total: Western Cape Municipalities			282 311	241 323	253 389	927 515	960 159	980 642	1 209 826	1 201 482	1 234 031
National Total			1 043 024	1 362 321	1 430 437	4 910 066	4 800 370	5 179 458	5 953 090	6 162 691	6 609 895

APPENDIX W6

APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES; TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENTS

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

Public Works (Vote 11)	EPWP Integrated Grant to Provinces				
	Province/Provincial Department	Number of FTEs to be created from allocations in	Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
EASTERN CAPE					
Economic Development, Environmental Affairs and Tourism	13	2 000			
Education	18	2 736			
Health	692	2 644			
Human Settlements	17	2 607			
Co-Operative Governance and Traditional Affairs	13	2 000			
Roads and Public Works	3 596	53 607			
Rural Development and Agrarian Reform	45	2 188			
Social Development	13	2 000			
Sport, Recreation, Arts and Culture	13	2 013			
Transport	28	4 142			
Total: Eastern Cape	4 448	75 937			
FREE STATE					
Agriculture and Rural Development	30	2 027			
Co-operative Governance and Traditional Affairs	16	2 348			
Economic Development, Tourism and Environmental Affairs	16	2 421			
Education	17	2 523			
Health	249	2 000			
Police, Roads and Transport	3 924	3 130			
Public Works	40	6 034			
Sport, Arts, Culture and Recreation	16	2 342			
Total: Free State	4 308	22 825			
GAUTENG					
Agriculture and Rural Development	30	2 443			
Education	16	2 409			
Health	312	2 051			
Human Settlements	13	2 000			
Infrastructure Development	62	9 205			
Roads and Transport	1 454	2 519			
Social Development	13	2 000			
Sport, Arts, Culture and Recreation	13	2 000			
Total: Gauteng	1 913	24 627			
KWAZULU-NATAL					
Agriculture and Rural Development	45	2 296			
Arts and Culture	13	2 000			
Co-operative Governance and Traditional Affairs	28	4 119			
Economic Development, Tourism and Environmental Affairs	55	8 162			
Education	18	2 644			
Health	1 179	3 683			
Human Settlements	44	6 580			
Public Works	20	3 057			
Sport and Recreation	13	2 000			
Transport	6 183	55 602			
Total: KwaZulu-Natal	7 598	90 143			
LIMPOPO					
Agriculture	63	5 285			
Economic Development, Environment and Tourism	17	2 482			
Education	14	2 150			
Health	111	2 000			
Co-operative Governance, Human Settlements and Traditional Affairs	13	2 000			
Public Works, Roads and Infrastructure	3 137	7 120			
Sport, Arts and Culture	13	2 000			
Safety, Security and Liaison	14	2 078			
Total: Limpopo	3 382	25 115			

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

Public Works (Vote 11)	EPWP Integrated Grant to Provinces				
	Province/Provincial Department	Number of FTEs to be created from allocations in	Financial Year		
			2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
MPUMALANGA					
Agriculture, Rural Development, Land and Environmental Affairs	45	4 136			
Co-operative Governance and Traditional Affairs	18	2 633			
Culture, Sport and Recreation	14	2 148			
Economic Development and Tourism	21	3 138			
Education	16	2 453			
Health	203	2 264			
Human Settlements	13	2 000			
Public Works, Roads and Transport	2 525	16 038			
Social Development	13	2 000			
Total: Mpumalanga	2 868	36 810			
NORTHERN CAPE					
Agriculture, Land Reform and Rural Development	34	2 000			
Co-operative Governance, Human Settlements and Traditional Affairs	14	2 153			
Education	14	2 077			
Environment and Nature Conservation	13	2 000			
Economic Development and Tourism	13	2 000			
Health	303	2 000			
Roads and Public Works	2 037	3 493			
Sport, Arts and Culture	13	2 000			
Total: Northern Cape	2 441	17 723			
NORTH WEST					
Education and Sport Development	13	2 000			
Health	227	2 000			
Local Government and Human Settlements	26	4 000			
Public Works and Roads	2 362	16 984			
Rural, Environment and Agricultural Development	64	6 077			
Social Development	13	2 000			
Total: North West	2 705	33 061			
WESTERN CAPE					
Agriculture	25	2 000			
Cultural Affairs and Sport	15	2 223			
Education	19	2 818			
Environmental Affairs and Development Planning	20	2 959			
Health	419	2 580			
Human Settlements	23	3 490			
Transport and Public Works	2 095	8 301			
Total: Western Cape	2 616	24 371			
Unallocated		-	402 009	423 802	
Grand Total	32 279	350 612	402 009	423 802	

APPENDIX W7

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES: ALLOCATIONS PER
PROVINCIAL DEPARTMENT**

APPENDIX TO SCHEDULE 5A: BREAKDOWN OF SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES: ALLOCATIONS PER PROVINCIAL DEPARTMENT

Province/Provincial Department	Social Sector Expanded Public Works Programme Incentive Grant for Provinces			
	Number of FTEs to be created from allocations in 2015/16	Financial Year		
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
EASTERN CAPE				
Education	137	3 000		
Health	229	5 000		
Safety and Liaison	48	1 054		
Social Development	45	1 000		
Sport, Recreation, Arts and Culture	45	1 000		
Total: Eastern Cape	504	11 054		
FREE STATE				
Education	45	1 000		
Health	599	13 067		
Social Development	289	6 312		
Sport, Arts, Culture and Recreation	45	1 000		
Total: Free State	978	21 379		
GAUTENG				
Community Safety	61	1 345		
Education	2 053	44 784		
Health	402	8 788		
Social Development	769	16 785		
Sport, Arts, Culture and Recreation	45	1 000		
Total: Gauteng	3 330	72 702		
KWAZULU-NATAL				
Community Safety and Liaison	45	1 000		
Education	137	3 000		
Health	596	13 000		
Social Development	137	3 000		
Sport and Recreation	68	1 502		
Total: KwaZulu-Natal	983	21 502		
LIMPOPO				
Education	141	3 095		
Health	946	20 650		
Social Development	146	3 190		
Total: Limpopo	1 233	26 935		

APPENDIX TO SCHEDULE 5A: BREAKDOWN OF SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES: ALLOCATIONS PER PROVINCIAL DEPARTMENT

Province/Provincial Department	Social Sector Expanded Public Works Programme Incentive Grant for Provinces			
	Number of FTEs to be created from allocations in 2015/16	Financial Year		
		2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
MPUMALANGA				
Community Safety, Security and Liaison	45	1 000		
Culture, Sport and Recreation	54	1 199		
Education	400	8 742		
Health	69	1 518		
Social Development	792	17 274		
Total: Mpumalanga	1 360	29 733		
NORTHERN CAPE				
Education	45	1 000		
Health	297	6 488		
Social Development	288	6 301		
Sport, Arts and Culture	55	1 215		
Transport, Safety and Liaison	45	1 000		
Total: Northern Cape	730	16 004		
NORTH WEST				
Community Safety and Transport Management	45	1 000		
Education and Sport Development (Education)	441	9 634		
Health	565	12 332		
Social Development	380	8 288		
Total: North West	1 431	31 254		
WESTERN CAPE				
Community Safety	45	1 000		
Cultural Affairs and Sport	63	1 387		
Education	217	4 747		
Health	45	1 000		
Social Development	85	1 866		
Total: Western Cape	455	10 000		
Unallocated		-	359 662	385 583
Grand Total	11 004	240 563	359 662	385 583

APPENDIX W8

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

APPENDIX W8

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

Health (Vote 16)	National Health Grant		
	Financial Year		
Province/Components/Sub-components	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
Total Per Province/Components			
Eastern Cape	32 475	-	-
Free State	11 129	-	-
Gauteng	33 564	-	-
KwaZulu-Natal	44 212	-	-
Limpopo	25 191	-	-
Mpumalanga	16 743	-	-
Northern Cape	13 660	-	-
North West	5 020	-	-
Western Cape	18 006	-	-
Unallocated	1 211 250	1 221 024	1 347 002
Total	1 411 250	1 221 024	1 347 002
<i>of which:</i>			
Health Facility Revitalisation Grant Component			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	913 150	953 082	1 028 949
Total	913 150	953 082	1 028 949
Human Papillomavirus Vaccine Grant Component			
Eastern Cape	32 475	-	-
Free State	11 129	-	-
Gauteng	33 564	-	-
KwaZulu-Natal	44 212	-	-
Limpopo	25 191	-	-
Mpumalanga	16 743	-	-
Northern Cape	13 660	-	-
North West	5 020	-	-
Western Cape	18 006	-	-
Total	200 000	-	-
National Health Insurance - Medical Practitioner Contracting			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	298 100	267 942	318 053
Total	298 100	267 942	318 053

APPENDIX W9

APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF SCHOOL INFRASTRUCTURE BACKLOGS GRANT: ALLOCATIONS PER PROVINCE

APPENDIX W9

**APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF SCHOOL INFRASTRUCTURE
BACKLOGS GRANT: ALLOCATIONS PER PROVINCE**

Basic Education (Vote 14)	School Infrastructure Backlogs Grant		
Province	Financial Year		
	<i>2015/16 (R'000)</i>	<i>2016/17 (R'000)</i>	<i>2017/18 (R'000)</i>
Eastern Cape	1 084 091	1 830 751	2 619 873
Free State	478 416	544 116	-
Gauteng	11 202	-	-
KwaZulu-Natal	138 097	-	-
Limpopo	104 316	-	-
Mpumalanga	128 569	-	-
Northern Cape	33 638	-	-
North West	68 496	-	-
Western Cape	-	-	-
Total	2 046 825	2 374 867	2 619 873

APPENDIX W10

**APPENDIX TO SCHEDULE 4, PART A AND SCHEDULE 5, PART A: BREAKDOWN OF RING-FENCED DISASTER ALLOCATION FOR PROVINCES
PER GRANT**

APPENDIX W10

APPENDIX TO SCHEDULE 4, PART A AND SCHEDULE 5, PART A: BREAKDOWN OF RING-FENCED DISASTER ALLOCATION FOR PROVINCES PER GRANT

GRANT NAME	RING-FENCED DISASTER ALLOCATION PER PROVINCE		
	Final Amounts		
	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
COMPREHENSIVE AGRICULTURAL SUPPORT PROGRAMME GRANT			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	22 837	15 555	10 001
Mpumalanga	10 960	20 326	10 326
Northern Cape	-	-	-
North West	-	-	-
Western Cape	24 804	40 853	40 000
Total: COMPREHENSIVE AGRICULTURAL SUPPORT GRANT	58 601	76 734	60 327
EDUCATION INFRASTRUCTURE GRANT			
Eastern Cape	50 000	61 550	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	23 983	-	-
Limpopo	69 366	-	-
Mpumalanga	9 500	-	-
Northern Cape	-	-	-
North West	51 432	51 431	-
Western Cape	4 858	-	-
Total: EDUCATION INFRASTRUCTURE GRANT	209 139	112 981	-
HEALTH FACILITY REVITALISATION GRANT			
Eastern Cape	1 509	-	-
Free State	-	-	-
Gauteng	148	-	-
KwaZulu-Natal	198	-	-
Limpopo	6 921	-	-
Mpumalanga	1 841	-	-
Northern Cape	-	-	-
North West	7 138	-	-
Western Cape	-	-	-
Total: HEALTH FACILITY REVITALISATION GRANT	17 755	-	-
HUMAN SETTLEMENTS DEVELOPMENT GRANT			
Eastern Cape	100 000	100 000	134 261
Free State	-	-	-
Gauteng	40 000	47 379	-
KwaZulu-Natal	158 821	-	-
Limpopo	34 332	29 678	-
Mpumalanga	34 098	17 952	-
Northern Cape	-	-	-
North West	38 507	-	-
Western Cape	5 077	-	-
Total: HUMAN SETTLEMENTS DEVELOPMENT GRANT	410 835	195 009	134 261
PROVINCIAL ROADS MAINTENANCE GRANT			
Eastern Cape	126 729	90 000	90 000
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	30 241	-	-
Limpopo	90 896	100 000	130 000
Mpumalanga	128 347	50 000	50 000
Northern Cape	-	-	-
North West	-	-	-
Western Cape	104 381	58 123	-
Total: PROVINCIAL ROADS MAINTENANCE GRANT	480 594	298 123	270 000
Grand Total	1 176 924	682 847	464 588

